AJL: 24-04
6856-B-03
PREX 7.10: FBIS-EAS-91-001
(p. 40)

FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report

East Asia

FBIS-EAS-91-001
Wednesday
2 January 1991

JB 99-014333

COMPLETED

Daily Report
East Asia

FBIS-EAS-91-001

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NOTICE TO READERS: An * indicates material not disseminated in electronic form.

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Japan

Kaifu on Aid to USSR for Development in Siberia

OW0101044391 Tokyo KYODO in English 0343 GMT 1 Jan 91

[Text] Tokyo, Jan. 1 KYODO—Prime Minister Toshiki Kaifu has told the Soviet official news agency TASS that Japan is ready to cooperate with the Soviet Union in joint development projects in Siberia, Japanese Government sources said Tuesday.

Kaifu made the remark in a statement requested by TASS on overall Japan-Soviet relations prior to Soviet President Mikhail Gorbachev's visit to Japan slated for April.

Referring to Gorbachev's visit to Tokyo, Kaifu stressed the importance of establishing new relations, and said, "We should be courageous to improve bilateral ties."

The prime minister also reiterated that as a prerequisite for conclusion of a peace treaty between the two nations, Japan calls for the return of islands off Hokkaido, northern Japan, which the Soviets have held after World War II. But he indicated that there still remains room for mutual concessions on the territorial dispute, stressing the need for effort and determination by both sides.

Kaifu said bilateral economic cooperation in the Soviet Far East region would prove beneficial not only for Japan but also for other nations in the Asia-Pacific region, saying Siberia is rich in natural resources.

Expressing his support for Gorbachev's perestroyka, or restructuring, the prime minister also said that Japan is ready to provide large-scale financial aid to the Soviet Union as part of efforts to improve its economic system and overall Japan-Soviet ties. He added, however, that it is necessary for the two nations to establish full diplomatic ties if they are to expand bilateral economic relations in the sphere of private business.

Soviets To Request Assistance on Pipeline Project

OW0201072991 Tokyo KYODO in English 0715 GMT 2 Jan 91

[Text] Tokyo, Jan. 2 KYODO—The Soviet Government, a Japanese trading house, South Korea's Hyundai Group and a U.S. oil concern are planning to lay a 10,000-kilometer pipeline to transport natural gas from the Soviet Far East to South Korea and Japan.

Informed sources quoted the Soviet Trade Representative Office here as saying recently that Soviet President Mikhail Gorbachev will seek cooperation from the Japanese Government in the 10 billion dollars plan when he visits Japan in April.

The Soviet Government and Tokyo Boeki, a Tokyo-based trading company affiliated with the Mitsubishi Group, are planning to ask North Korea and China in the near future to participate in the ambitious plan, the sources told KYODO NEWS SERVICE. The plan calls for developing natural gas in the Yakut region, where reserves are estimated at 1 trillion cubic meters.

The natural gas would be transported through the planned 10,000-kilometer pipeline to Kitakyushu in southern Japan via Yakutsk, Blagoveshchensk, Khabarovsk, Vladivostok, the Korean peninsula, and the Tsushima Straits.

The pipeline would then run up the Japan Sea coast of Japan to Hokkaido, from where it would be extended to Sakhalin, to supply that Soviet province.

The natural gas field would be developed mainly by an unidentified U.S. oil company, the sources said, adding that steel products for the pipeline would be supplied by Japanese steel manufacturers.

If China takes part in the project, a spur of the pipeline would branch out into northeastern China, the sources said.

Overall gas supply is projected at 30 million tons a year in terms of liquefied natural gas (LNG), they said. Japan and South Korea would be able to obtain the gas for about 30 percent less than international market prices.

The sources said the project would pay off if annual demand for natural gas is at least 8.5 million tons in Japan and 2.5 million tons in South Korea.

A certain volume of natural gas would be provided to North Korea free of charge in return for allowing the pipeline to be laid through its territory, the sources said.

Government Approves Private Sector Aid to USSR

OW2912023690 Tokyo KYODO in English 0202 GMT 29 Dec 90

[Text] Tokyo, Dec. 29 KYODO—The Government approved measures designed to help the private sector smoothly extend emergency food and medical aid to the Soviet Union at a special cabinet session Saturday.

The Government will allow the private sector to classify the value of food and medical assistance to the Soviet Union as a financial loss for tax purposes. It will also act as coordinator between the private sector and the Japanese Red Cross Society, the officials said.

The procedure for exports of food and medical supplies to the Soviet Union by the Japanese Red Cross Society will also be speeded up, the officials said.

The Government approved 100 million dollars worth of credit as emergency assistance to the Soviet Union on December 18 to help it overcome food shortages expected to peak in January. In addition to the loan program, Japan will provide 1 billion yen worth of food and medical supplies through the Red Cross and other international organizations.

Bush, Gorbachev, Other Leaders To Visit in 1991

OW0101042691 Tokyo KYODO in English 0401 GMT 1 Jan 91

[Text] Tokyo, Jan. 1 KYODO—Soviet President Mikhail Gorbachev and U.S. President George Bush will mark the highlights in a series of visits to Japan by foreign dignitaries in 1991, government sources said.

Gorbachev's visit to Japan has so far been set for April, while the timing of Bush's visit is not clear.

Gorbachev, who will be the first Kremlin leader ever to come to Tokyo, will hold talks with Prime Minister Toshiki Kaifu on overall bilateral issues, including the territorial dispute over four islands located off Hokkaido, northern Japan.

New Soviet Vice President Gennadiy Yanayev told a news conference December 27 that Gorbachev's slated trip will be a "big stimulus" toward directing Soviet-Japanese ties along a better path. Kaifu said on December 28 that he hopes the visit will pave the way for a fundamental improvement in bilateral relations.

Bush is expected to visit Japan around March before Gorbachev's visit to Tokyo. Kaifu and Bush are expected to discuss an array of issues, including Japan-U.S. relations and Western support for Soviet economic reforms. Bush last visited Japan in February 1989 to attend the funeral of Emperor Hirohito, posthumously called Emperor Showa.

Other leaders likely to show up in Tokyo during 1991 are Nicaraguan President Violeta Chamorro, European Community Commission President Jacques Delors, and Peruvian President Alberto Fujimori.

Czechoslovakia's Federal Assembly Chairman Aleksandr Dubcek is also scheduled to visit Tokyo at the invitation of the Japanese Diet.

Bush Thanks Kaifu for Support on Gulf Crisis

OW0101044891 Tokyo KYODO in English 0420 GMT 1 Jan 91

[Text] Tokyo, Jan. 1 KYODO—U.S. President George Bush on Tuesday told Prime Minister Toshiki Kaifu he is making his utmost efforts to peacefully resolve the Persian Gulf crisis, and thanked Japan for its support.

Bush made the remarks in a 15-minute telephone conversation in which he and Kaifu exchanged New Year greetings, Japanese Government officials said.

They said Kaifu stressed the importance of making sustained efforts until a peaceful settlement to the Middle East crisis is achieved, adding that his recent letter to Iraqi President Saddam Husayn was in line with this stance.

Accurate messages need to be sent to the Iraqi president from the world over, Kaifu said. Bush agreed.

In his December 27 message addressed to Husayn, Kaifu called for Iraq's immediate unconditional pullout of its troops from Kuwait, which it annexed following its invasion last August 2.

The U.S. President congratulated Kaifu on his cabinet reshuffle last Saturday, and applauded his government for committing itself to paying a greater share of the cost of maintaining U.S. forces stationed in Japan.

The government pledged last Saturday to earmark 223 billion yen over a five-year period starting in fiscal 1991 toward the upkeep of U.S. forces in Japan, increasing its share of their costs from the present 39 percent to 50 percent by 1995.

Kaifu said he was looking forward to Bush's visit to Tokyo, adding he would push coordination to expedite the schedule.

Bush is expected to come to Tokyo around March. Soviet President Mikhail Gorbachev is to visit Tokyo in April.

DPRK Warns Moscow on Setting Up Ties With ROK

OW0101073991 Tokyo KYODO in English 0723 GMT 1 Jan 91

[Text] Tokyo, Jan. 1 KYODO—North Korean Foreign Minister Kim Yong-nam warned his Soviet counterpart, Eduard Shevardnadze, early last September that Pyongyang would support Japan's claim to the four Soviet-held islands off Hokkaido and normalize relations with Tokyo if Moscow set up diplomatic ties with Seoul, the ASAHI SHIMBUN said Tuesday, quoting Foreign Ministry sources.

North Korea also threatened at the talks in Pyongyang to independently develop nuclear arms if the Soviets set up diplomatic ties with the rival regime in Seoul, the sources said, confirming a November 29 report in the Soviet paper KOMSOMOLSKAYA PRAVDA.

Despite these threats, the Soviet Union established diplomatic relations with South Korea on September 30.

The Soviets did not inform the Japanese Government of Kim's statements until after a joint mission of the ruling Liberal Democratic Party [LDP] and Japan Socialist Party [JSP] visited Pyongyang in late September, so Tokyo was taken aback when the North Koreans suddenly proposed establishing diplomatic relations, the sources added.

The LDP, No. 1 opposition JSP and North Korea's governing Korea Workers Party issued a joint declaration September 28 calling for the early establishment of diplomatic links.

Japan and North Korea are planning to start full-scale talks on normalizing diplomatic relations in late January.

Shevardnadze met with Kim on September 2 and 3 in Pyongyang, where the Soviet foreign minister stopped on his way to Japan for regular Tokyo-Moscow ministerial talks.

When the Soviets informed Tokyo of the North Korean threat to develop an independent nuclear arsenal, Japan expressed concern that, if Pyongyang carried out this threat, it could lead South Korea to also develop nuclear weapons, leading to a nuclear arms race on the Korean Peninsula, the sources said.

North Korea ratified the 1970 Nuclear Nonproliferation Treaty in 1985 but it has not allowed the International Atomic Energy Agency to inspect its nuclear facilities to ensure that they are not being used for weapons production.

The Soviet Union has reportedly suspended assistance to Pyongyang for the construction of four nuclear power plants.

No Fingerprinting of Koreans, Taiwanese by 1993

OW2912061790 Tokyo KYODO in English 0512 GMT 29 Dec 90

[Text] Tokyo, Dec. 29 KYODO—Justice Minister Seiroku Kajiyama indicated Saturday that the Government will stop requiring North Korean and Taiwanese residents to provide their fingerprints.

Government sources had said Thursday that Japan is considering developing a family registry-type record as a substitute for fingerprinting of South Korean residents.

According to the sources, Prime Minister Toshiki Kaifu will inform South Korean President No Tae-u of the plan to stop fingerprinting all of the country's South Korean residents in 1993 under the new system when he visits Seoul on January 9 and 10.

At a press conference after a cabinet meeting, Kajiyama said the Government will study a new measure to replace the fingerprinting system on the premise that the substitute step will also be applied to other similar residents. He set up a task force Saturday to study the proposed new registry system.

Non-Japanese residents over 16 are required to obtain an alien registration certificate, on which they must provide the print of their right index finger.

The South Korean Government and an Association of South Korean Residents in Japan have called for the practice of fingerprinting to be ended.

The new system, to be introduced in 1993, will apply to a total of 600,000 South Koreans, North Koreans, and Taiwanese living in Japan, according to the ministry.

China 'Likely' To Repatriate Boat People

OW2812133490 Tokyo KYODO in English 1302 GMT 28 Dec 90

[Text] Tokyo, Dec. 28 KYODO—China appears likely to accept the repatriation of Chinese boat people coming to Japan in 1989-1990 who Beijing says are Vietnamese, Japanese Government sources said Friday.

China has basically agreed on the repatriation of those who had settled in China after leaving Vietnam. Japan will bear the cost of repatriation, the sources said. Japan will instead drop its claim for China to accept those who used China as a mere passage from Vietnam to Japan, the sources said. It is not known how many people the two countries will accept respectively, the sources said.

From May 1989 to last March, a total of 2,844 Chinese posing as Vietnamese refugees have arrived on the western Japanese coast in a total of 23 boats. Of the total, 1,788 have been repatriated to China, Justice Ministry officials said.

Of the remainder, Japan has asked China to repatriate 1,041 whom the Japanese Government has designated as economically motivated illegal entrants from China. However, China has refused to accept those people that it says are Vietnamese.

'Unofficial' Foreign Ministry Document Views 1991

OW0101041991 Tokyo KYODO in English 0358 GMT 1 Jan 91

[Text] Tokyo, Jan. 1 KYODO—The future course of the five- month-long Persian Gulf crisis will have a great impact on the course of the international situation for 1991, the Japanese Foreign Ministry said in an unofficial document released on Tuesday.

The report, titled "Prospects for 1991 and a Retrospective on 1990 on the International Situation," said nothing short of an Iraqi troop withdrawal from occupied Kuwait can bring a peaceful resolution to the Gulf crisis.

Iraq's withdrawal would pave the way for promoting efforts toward stabilization of the region through dialogue and conciliation, it said.

Developments in the Soviet Union will also determine the course of global affairs. The Soviet Union's economic woes are deeply rooted and will not be solved easily or in a short period, the report said.

International society as a whole will be affected if President Mikhail Gorbachev fails to push through his perestroyka-style restructuring policy or if conservatives gain strength in the event of a split in the union, it said.

The Foreign Ministry report paid attention to international efforts toward political stabilization in the Asia-Pacific region, noting the scheduled visits to the region by Gorbachev and U.S. President George Bush, a summit of leaders of Southeast Asian countries, and normalization talks between Japan and North Korea.

It also called for a successful conclusion to the Uruguay round of multilateral trade talks to establish a new international economic order in the 1990s.

New Year's Messages From Opposition Leaders

OW3112092490 Tokyo KYODO in English 0637 GMT 31 Dec 90

[Text] Tokyo, Jan. 1 KYODO—Leaders of Japan's major opposition parties predicted another turbulent year in 1991, but differed in their approaches on how to contribute to peace in the conflict-torn world.

In a New Year message, Takako Doi, leader of the Japan Socialist Party (JSP), said it is important to spread the principles of Japan's peace constitution that renounces war as a means of solving international conflicts.

She said that serious thought over Japan's position in the world community is needed in 1991, when internationally turbulent times are expected to continue.

Japan should reaffirm its policy against arms exports, as well as the three nonnuclear principles of not producing, possessing, or allowing the introduction on its territory of nuclear weapons, and should rather become an "exporter of peace" as its contribution to the world, Doi said. "This is the quickest way to win the trust of the world," she said. Doi also expressed her intention to turn 1991 into a year for political reforms and vowed that her party will lead a nationwide campaign for that purpose.

Koshiro Ishida, chairman of Komeito, the second-largest opposition party, said in a New Year message that Japan should step up its efforts to formulate a policy of taking part in United Nations peacekeeping activities. He also expected the new year will be another turbulent year as the tension in the Persian Gulf still remains very high. Domestically, the Komeito agenda for the year includes such problems as high land prices, the housing shortage, garbage disposal, and the environment, he said.

Ishida said the opposition camp should renew its efforts to force the government to scrap the 3 percent consumption tax. He also stressed the need for political reforms, especially the establishing of political codes of ethics, but said Komeito is resolutely opposed to the idea of introducing the small-constituency system in Japan.

The proposal, unveiled by the ruling Liberal Democratic Party (LDP) last week and decried by opposition groups, is aimed at replacing the current electoral system whereby three to five Diet members are elected from one electoral district.

Japanese Communist Party leader Kenji Miyamoto pledged to keep up the struggle against the moves to pass a bill to allow the dispatch of Self Defense Forces personnel overseas. He said the party will fight to stop the LDP's plan to introduce the small-constituency system, which he said is a scheme to perpetuate the LDP's rule under the name of "political reform."

Democratic Socialist Party (DSP) Chairman Keigo Ouchi said political leadership is required to develop a new era as the times continue turbulent from 1990 to 1991. The DSP is determined to create a bright future for the nation by overcoming the "visionless" politics dependent on bureaucrats and "twisted" power structure in the diet where one chamber is controlled by the LDP and the other by the opposition camp, he said. Ouchi said the DSP is committed to build Japan into "a society with creativity and an advanced way of life and a nation that is trusted by the world."

Nishioka on Separation From Miyazawa Faction

OW3012142390 Tokyo KYODO in English 1252 GMT 30 Dec 90

[Text] Tokyo, Dec. 30 KYODO—Takeo Nishioka, who was stripped of his membership of a ruling Liberal Democratic Party (LDP) faction for deciding to hold on to a key LDP post in defiance of the faction's wishes, said Sunday his separation from the faction will enable him to speak more freely.

Nishioka, retained by Prime Minister Toshiki Kaifu as chairman of the party's Executive Council in Saturday's reshuffle of the top party personnel, was dismissed Friday night from the LDP faction led by former Deputy Prime Minister Kiichi Miyazawa.

In an interview with KYODO NEWS SERVICE, Nishioka said, "Now I can speak even more positively, as my conduct will no longer be regarded as reflecting the faction's interests."

Leaders of the Miyazawa faction wanted Kaifu to name former Defense Agency chief Koichi Kato, a Miyazawa protege, to Nishioka's post, one of the three leading party jobs.

Nishioka, 54, elected nine times to the House of Representatives from Nagasaki Prefecture, is not an original member of the faction. He quit the LDP in 1976 when he was a member of the Komoto faction and joined the Miyazawa faction when he rejoined the party in 1981.

Predicting 1991 will be a turbulent year that will require much of Japan, Nishioka said he would challenge "every taboo" and do his best as one of the top LDP officers. He especially stressed the need to pass a bill so that Japan can respond and contribute to a solution of the Persian Gulf crisis.

Asked what effect his ouster from the faction will have on him, Nishioka said, "As long as I stay as Executive Council chairman, there will be no major change, but if you mean the more distant prospect, in the world of politics, there could be darkness only an inch ahead."

Nishioka said he has served like a conduit between the Miyazawa faction and Kaifu, after Miyazawa fought and lost the LDP presidency election to Kaifu in the summer of 1989. "That's what the people in the Miyazawa faction seem to have forgotten," Nishioka said.

On his relations with Miyazawa, Nishioka termed him an important figure in Japanese politics, and said he has asked Miyazawa to allow their relationship to continue as before.

Nishioka also said he feels that some faction members may have forced Miyazawa into a corner on the decision to dismiss him.

Investment in U.S. Real Estate Still Rising

OW3112103190 Tokyo KYODO in English 0909 GMT 31 Dec 90

[Text] Tokyo, Dec. 31 KYODO—Although the U.S. real estate market is in a slump, demand, especially by Japanese investors, for highly-coveted buildings is still very much on the rise, the Japan External Trade Organization (JETRO) said Monday.

Japanese investors in the Midwest, who were solely interested in real estate in major metropolitan areas, are beginning to turn their attention toward smaller cities, the JETRO office in Chicago said. For example, there has been an increase in acquisitions in Cincinnati, Ohio.

Some Japanese investors in New York are liquidating land they purchased for short-term investments and buying other chunks of real estate, according to the JETRO office there.

But the Japanese are holding on to their purchases of choice office buildings, especially landmarks, those in favorable areas, and those with "high-quality" tenants, the office said.

In Los Angeles, Japanese buyers are scrambling to rent space in office buildings under construction due to the office space shortage there.

Government Fifth Largest Investor in Vietnam

OW3112103290 Tokyo KYODO in English 0911 GMT 31 Dec 90

[Text] Tokyo, Dec. 31 KYODO—Japan is the fifth-largest foreign investor in Vietnam, accounting for about 10 percent of the money poured into the socialist economy in the past three years, a report by a government-affiliated trade promotion organization said Monday.

France topped the list of foreign investors with 125.6 million dollars of investment, or 17.92 percent of the total, from the period since Vietnam enacted a new investment law in January 1988 until August 10, 1990, the Japan External Trade Organization (JETRO) said.

Canada ranked second with a share of 14.67 percent, followed by Britain (11.93 percent) and Belgium (10.20 percent).

Japan came in fifth, injecting 71.2 million dollars, or 10.16 percent, into the economy, according to the report.

The report, compiled by JETRO and based on statistics provided by the Vietnamese Government, gives a rare glimpse into the current state of foreign investment in the country. Foreign investment during the period totaled 700.9 million dollars in 175 cases, it said.

Investment was concentrated in such fields as oil and gas drilling, tourism and other services, agriculture, forestry, and fisheries, the report said.

Investment in oil and gas exploration and drilling accounted for 40.7 percent of the total, and the three categories combined absorbed 76.9 percent of the total.

The JETRO report also made these other points:

—Vietnam is gaining attention from foreign investors because of moves to introduce market-oriented economic reforms inspired by the Soviet Union, the 1988 law to increase the inflow of foreign capital, and the low-wage, high-quality, abundant labor force.

—But there is an array of problems that still thwart any sharp increase in foreign investment. The main concern is the lack of clarity regarding regulations for economic activities by foreign enterprises.

—The conditions for employment by foreign corporations, the amount of social security, and the rate of individual income tax have not been revealed.

—The corporate tax rates vary, but the criteria for the changes are unknown.

—Another stumbling block to foreign investment is the dilapidated infrastructure.

—Electric power generation and water management services are good because the country has been receiving assistance from the Soviets and the United Nations.

—But bureaucratic red-tape, high tax rates, and a lack of information pose obstacles for foreign investors.

Businessmen View 1991 Budget Plan, Restructuring

OW2912040190 Tokyo KYODO in English 0207 GMT 29 Dec 90

[Text] Tokyo, Dec. 29 KYODO—Japan's business circles on Saturday generally praised the Government's budget plan for the next fiscal year as focusing on improvements of the quality of life for ordinary Japanese.

The chairman of the Federation of Economic Organizations (Keidanren), Gaishi Hiraiwa, said, "The budget reflects the Government's determination to put greater emphasis on improvement of living standards as well as its aim toward sounder fiscal health."

Rokuro Ishikawa, president of the Japan Chamber of Commerce and Industry, said, "The budget places due importance on improvement of infrastructure, further contributions to the international community, and other tasks Japan must tackle."

Their comments followed approval by the cabinet of the budget plan for Fiscal 1991, starting next April, which features increased spending on the country's social infrastructure, considered greatly inferior to that of other industrialized nations. But the business leaders viewed the Government's efforts for fiscal restructuring as insufficient, as a reduction in government bond issues envisaged in the budget plan is less drastic than had been expected.

Eiji Suzuki, president of the Japan Federation of Employers' Association (Nikkeiren), said, "Given the fact that Japan's outstanding government bonds amount to as much as 168 trillion yen, further efforts are required to cut national debt reliance."

Takashi Ishihara, chairman of the Japan Association of Corporate Executives, said, "We want to emphasize to the Government that the people need a small government."

Faced with a slowdown in the Japanese economy, the Government will manage to slash its bond issues by only 250 billion yen, far short of the 400 billion yen reduction targeted in its fiscal policy reform.

Some business leaders also complained that the projected 8 percent increase in allocations for Official Development Assistance (ODA) was too small.

Ishikawa said, "The Government should have earmarked more for ODA funds to meet the growing demands on Japan in international society."

North Korea

'Full Text' of Kim Il-song's New Year Speech

SK0101064691 Pyongyang KCNA in English
0520 GMT 1 Jan 91

["New Year Address of Comrade Kim Il-song"—KCNA headline]

[Text] Pyongyang January 1 (KCNA)—The great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, made a New Year address for 1991.

The full text of the New Year address reads: Dear comrades, my fellow-countrymen, brothers and sisters,

Ringing in the hopeful New Year, 1991, I extend warm congratulations and fervent greetings to all the people in the northern half of the Republic, to the brothers in the South and to the Koreans in Japan and all other overseas compatriots.

My New Year greetings also go to the peoples of socialist countries and non-aligned nations and all other progressive people and our friends around the world.

The year 1990 was a proud and triumphant year in which our people advanced vigorously under the unfurled banner of socialism in the vortex of history.

Last year, because of the anti-socialist manoeuvres of the imperialists and reactionaries, complex events that caused people's apprehension took place in succession on the international scene. This laid new obstacles and difficulties in the way of our people who were building socialism in the difficult situation in which the country is divided. Without the slightest vacillation, however, our party firmly maintained the revolutionary line of chuche, met the counter-revolutionary offensive by means of revolutionary offensive and, believing in the strength of the popular masses, roused strongly all the working people to a grand new advance. Under the leadership of the party, our people, with an unshakable conviction of the justice of their socialist cause and its victory, made more strenuous efforts and performed brilliant exploits in socialist construction by bravely overcoming all the obstacles and challenges.

Last year, by their creative and devoted struggle our working class and the soldiers of the people's army constructed power stations and reconstructed and expanded factories and other enterprises with success and pressed ahead with the construction of the Sariwon potassic fertilizer complex and other major projects, in order to increase the might of our socialist independent economy. The constructors of the capital city who were struggling with loyalty to implement the party's plan of finding a complete solution to the question of housing for the people in the next few years, accelerated the construction of Tongil Street forcefully and newly erected modern apartment blocks of 30,000 flats during the past one year. This is a success we can be proud of.

Our agricultural working people, the soldiers of the People's Army and other supporters undertook the great project for the transformation of nature to irrigate farmland, cut 800 km of new irrigation canals in a short period and thus linked the Taedong and Yesong Rivers, and the Amnok and Taeryong Rivers into a great irrigation network capable of supplying sufficient water to all the paddy and non-paddy fields in the western area of granary. This is, indeed, a great transformation of the country. As a result of the construction of the 800 km irrigation canals, our country has become a land of developed irrigation of which we can be proud before the world. This means a great victory of the theses on the socialist rural question published by our party.

Our intellectuals who are loyal to the party and the revolution made a positive contribution to the development of science, education, art and literature, public health and all other fields of socialist culture as well as economic construction by working devotedly, with a high sense of pride and responsibility as masters in the building of socialism.

The brilliant successes which our party and our people, in unbreakable unity, achieved in the construction of socialism by smoothing over mani-fold difficulties in today's trying situation gave a heavy blow to the imperialists and reactionaries and powerful inspiration to the progressive people and our friends around the world. The fact that, when the imperialists were making vociferous propaganda about the "crisis of socialism", socialism in our country which is in direct confrontation with the U.S. imperialists continues to advance stoutly and victoriously is winning admiration from the people throughout the world. Many people have expressed their deep interest in the secret of the triumphant advance.

The secret of the unconquerability and victory of socialism in our country lies, in short, in the firm establishment of chuche in the building of socialism.

Today, our party and the popular masses have been welded into a socio-political organism by casting in their lot with each other so as to form a powerful driving force of the revolution; their unity and cohesion is a mighty force that pushes forward the building of socialism. Our party which has inherited and is developing brilliantly the glorious traditions of the anti-Japanese revolution for the freedom and liberation of the people has been devoting everything to the struggle for the interests and happiness of the popular masses under the slogan "we serve the people." Our people, bearing in mind the motto "when the party is determined we can do anything " as their faith, follow the party's leadership with loyalty. The socialism of our own style which has been built by our people by their own efforts under the party's leadership is a society truly of the people, a society in which everything serves the people; it is the most virile society which is steadily developing on the strong basis of independence, self-sufficiency and self-reliant defence. The great party which has struck root deep among the popular masses, the great people who follow the party's leadership with loyalty, and the man-centred socialism which is the embodiment of the chuche idea—these are precisely the basis of the durability of socialism in our country as well as the source of great strength capable of withstanding whatever storm and trial.

Allow me to offer warm thanks to our heroic working class, farmers, working intellectuals, the soldiers of the People's Army and all other people who, in loyal support of our party's leadership, followed the party steadfastly along the road of revolution last year and emerged victorious from the struggle in the first year of the 1990's.

This year, we are faced with a heavy task of displaying higher the advantages of socialism in our country by forcefully accelerating socialist construction to meet the requirements of the present situation and our developing revolution.

At present, our people are entrusted by the times and history with an honourable task of building socialism with great efficiency. When the cheers of victory in socialist construction continue to echo loudly, the imperialists' hullabaloo against our Republic and socialism will fizzle out, the chuche idea will acquire stronger magnetism, and the day of the complete victory of socialism and national reunification will come sooner.

This year, we must press on with the ideological, technical and cultural revolutions under the banner of the chuche idea and continue to make an upsurge in all sectors of socialist construction.

Our major tasks in the construction of the socialist economy this year are to attain a high and steady rate of production by keeping those economic sectors which must lead the other sectors going well ahead of the latter and by making effective use of the economic foundations that have already been laid, and to raise further the people's material and cultural standards to meet the requirements of socialism.

Ensuring the rapid development of the leading economic sectors is a major requirement for increasing the might of the independent national economy as well as the major link in the whole chain of the efforts to attain a high and steady rate of production at the moment. This year, we must give definite priority to the mining and power industries and rail transport, put great efforts into the development of the metal industry so that fresh innovations will take place in these sectors.

This year, we must carry out the party's policy on intensive construction so as to give strong impetus to the construction of the Sariwon potassic fertilizer complex, the October 9 general steelworks, power stations and other projects which are of vital importance in strengthening the chuche character of the national economy and in securing the major objectives of the third seven- year plan. The constructors and the soldiers of the People's Army who have undertaken the major projects must unfailingly attain the construction targets they have resolved to achieve before the party by displaying patriotic devotion and mass heroism and thus live up to the high expectations of the party and the people.

Raising the standard of the people's living continuously is the highest principle of our party's activities. Our building of socialism is aimed at providing the people with rich and happy lives. We must continue to direct great efforts to raising the standard of the people's living and improve their material standard to make it commensurate with their today's priceless, worthwhile political life and sound and rich cultural life.

The most important matter in raising the standard of the people's living is to develop agriculture and light industry quickly. In the agricultural sector this year, the soil fertility of the cultivated land must be radically improved and farm crops raised on a scientific and technological basis, as required by the chuche farming method, so as to attain the grain production target without fail, and agriculture must be developed in a many-sided way to suit the natural and geographical conditions. We must sharply increase the production of cloth and various other consumer goods for the people by thoroughly implementing the party's policy on effecting a revolution in light industry. The chemical industry must operate the chemical works at full capacity and produce fertilizers and chemicals needed for agricultural production by the appointed time and supply the light-industry factories with sufficient chemical fibre and various kinds of raw materials.

This year, we must build more modern houses in urban and rural communities and continue to press ahead with the construction of Tongil Street in Pyongyang in particular.

This year will mark the 30th anniversary of our party's creation of the Taean work system and its opening of a new epoch in the management of the socialist economy.

The Taean work system is the best system of economic management that enables the producer masses to fulfil their responsibility and role as masters and manage the economy in a scientific and rational manner by implementing the mass line in economic management, and by combining party leadership organically with administrative, economic and technical guidance. The key to displaying to the full the superiority and potentials of the socialist economy which is based on collective ownership lies in implementing the Taean work system thoroughly. We must implement the Taean work system thoroughly and thus bring about a turn in the guidance and management of the socialist economy.

The fundamental factor in the Taean work system is to realize the collective leadership of party committees properly. All sectors and all units of the national economy must, by strengthening the collective leadership of party committees, ensure close cooperation between party officials and administrative, economic officials and between technicians and producers, and encourage them to enhance their sense of responsibility and creativity and carry out their economic tasks satisfactorily. Particularly, the administrative, economic officials must, by enhancing their role in economic management, establish a strict system and order, tighten up planning discipline, labour administration discipline and production discipline, give priority to technological progress, increase economic return and improve the quality of products. On these principles they must plan and organize economic work.

Our tasks this year are enormous, but they can be carried out successfully if all the people work hard, united closely behind the party.

We have shaped the victorious path by overcoming difficulties and trials on the strength of single-hearted unity. This is the tradition of which we are proud. We must establish more firmly the ideological system of chuche among the party members and other working people, strengthen rock-solid the political and ideological unity of the whole society centering on the party, and ensure that the whole society is imbued with the spirit of comradely unity with which to help and lead one another forward in the struggle on the principle of "one for all and all for one."

The officials who are in the leadership of the revolution must organize and develop work in a revolutionary manner by displaying a high degree of loyalty to the revolution, to the party, to the working class and to the people and lead the masses forward by setting personal examples in the van of the advancing ranks.

Our people are a heroic people who have fought and defeated two imperialist enemies in one generation. They are a revolutionary people who have built socialism splendidly with the revolutionary spirit of self-reliance and fortitude. All the party members and other working people must, in hearty response to the party's call to live and fight like heroes, bring about a new upsurge in the building of socialism and bring honour to chuche Korea once more.

Last year was an eventful year when the entire nation made a magnificent advance towards the reunification of the country in the 1990's and opened a new chapter in the history of the movement for national reunification through a nationwide struggle.

Last year, the historic August 15 pan-national conference was held focusing the high expectations and attention of our compatriots in the North, South and abroad, and meetings, dialogues and reunification festivals were held in Pyongyang, Seoul and abroad by political and social figures, sportsmen, artistes and other fellow countrymen from various sections. These greatly auspicious events gave pleasure to the entire nation and demonstrated our nation's strong will to reunification to the world. The fervent sentiments of national unity that erupted, melting the icy barrier of division and confrontation showed that the anti-communist policy of confrontation that had brewed distrust and discord within the nation was going bankrupt and that the noble idea of great national unity was triumphing. Especially, the formation of the pan-national alliance for reunification last year was a valuable success achieved through the arduous struggle of the patriotic reunification forces in the North, South and abroad. It was an event of epoch-making significance in strengthening the internal force of national reunification and in expanding and developing the movement for reunification.

On the occasion of the New Year day, the entire Korean nation are firmly resolved to make a greater advance on the road to national unity and the reunification of the country, looking more confidently forward to the day of national reunification.

We must not allow the division of our country to drag on beyond half a century, but accomplish the historic cause of national reunification within the next several years.

A pressing question in hastening national reunification is to ensure peace on the Korean peninsula and create peaceful preconditions for the reunification of the country.

Peace is the most universal ideal of mankind; it is most valuable for our nation. If a war breaks out now in our country over which a constant danger of war is hovering, the very existence of the nation will be endangered, not to mention national reunification. Maintaining peace is the most pressing question that must be settled by the North and South for the reunification of the country and the well-being of the nation.

We have always attached prime importance to the question of peace in our country and have been making every sincere effort for its settling.

From our sincere desire to ensure peace on the Korean peninsula and pave the road to peaceful reunification, we made already in 1988 a comprehensive peace proposal envisaging the adoption of a nonaggression declaration between the North and South, the conclusion of a peace treaty between the Democratic People's Republic of Korea and the United States, the drastic reduction of the Armed Forces of the North and South and a phased withdrawal of the U.S. troops and nuclear weapons from South Korea. Last year, at the North-South High-Level Talks we put forward important proposals for the settlement of the question of nonaggression and other effective measures for removing the military confrontation.

However, the United States and the South Korean authorities do not show any positive response to our sincere efforts; they have turned away from the settlement of the question of peace, the question of military affair. On the contrary, they are increasing armaments on a large scale. As the proceeding of the North-South High-Level Talks shows, although the South Korean authorities claim about "peace" and the "cessation of a cold war", they actually refuse to adopt even elementary measures for ensuring peace and only persist in the "priority of exchange".

We deem it necessary to settle the humanitarian question of visit or exchange, but cannot compromise with the attempt to delay the settlement of the question of peace, the military question, which is more pressing. Home-town visits or economic exchange, to be effective, require before anything else that the daggers hidden in the bosoms should be thrown away and that the fear of invasion from the South or "invasion from the North" should be dispelled. Evading the settlement of the military question and insisting only on exchange in the situation of our country where there is a real danger of war, is in fact tantamount to wishing no peace, no normal visit or no exchange itself. The stand taken by the South Korean authorities at the recent North-South High-Level Talks in connection with the question of adopting a nonaggression declaration, clearly shows that they have no intention at all to settle the question of peace.

The adoption of the nonaggression declaration is a starting- point in removing distrust and confrontation between the North and South and in opening up a new phase for peace and peaceful reunification.

The nonaggression declaration was proposed by the South Korean authorities themselves a long time ago. So there is no reason and excuse to object to it today. We cannot quite understand why the South Korean authorities bring up a new precondition, namely, the "priority of the creation of trust" and stubbornly object to the adoption of the nonaggression declaration. The so-called "priority of the creation of trust" claimed by the South Korean authorities is only an excuse to evade the adoption of the nonaggression declaration. The nonaggression declaration is on no account a question which comes after the creation of trust; it is the very starting-point and the most important guarantee for the creation of trust.

If the South Korean authorities call the nonaggression declaration a sheet of waste paper even before it is adopted and say that they cannot trust us, there will be, in fact, nothing on which they can agree with us, and the holding of a talk itself will be nonsensical. By refusing the adoption of the nonaggression declaration, the South Korean authorities themselves reveal that the nonaggression they have claimed is a lie and that the "threat of invasion from the North" is simply fictitious.

The South Korean authorities must not evade or delay removing military confrontation; they must unhesitatingly respond to adopting the nonaggression declaration and discontunue the "Team Spirit" joint military exercises.

The United States which is directly responsible for the question of peace on the Korean peninsula, should look squarely at our sincere efforts for peace and the unanimous burning desire of the Korean people for national reunification, and abandon its dangerous war policy based on the position of strength, conclude a peace treaty with us as soon as possible and withdraw its troops and nuclear weapons from South Korea.

If the military confrontation between the North and South is removed and if the U.S. troops and nuclear weapons are withdrawn from South Korea, durable peace will be ensured in our country, and a decisively favourable phase will be opened for reunifying the country in a peaceful way.

An important matter in hand in hastening national reunification is to decide how the country should be reunified.

Unless the method of national reunification is confirmed, it will be impossible for the North and South to take, in practice, any concerted step towards a common goal or find any clue to the problem of the talks for reunification, however much they talk about reunification. Since national reunification is the order of the day, not the matter of a distant future, the North and South should agree on the method of national reunification as soon as possible and strive for its realization, and thus give a hope to all our compatriots who eagerly desire reunification.

In the situation of our country where two different systems exist in the North and South, national reunification should be realized by establishing a confederation based on one nation, one state, two systems and two governments, on the principle of neither side conquering the other or being conquered by the other.

This method of reunification means to achieve reunification by establishing one united national state over the different systems and governments in the North and South, leaving them as they are. Our proposal for reunification by means of confederation is derived from the possibility for two different systems and governments to coexist in one national state.

Some people now claim that "homogeneity" should be restored in order to reunify the North and South which have become "heterogeneous." However, the time-honoured commonness of the North and South as one nation has never changed; they are still homogeneous nationally. If there is anything different between the North and South, it is the heterogeneity which has something to do with the two systems which have existed for the past 40 odd years; it can be no big problem when compared to the national homogeneity which has been formed and consolidated for thousands of years. The difference in the two systems can never be the reason for our nation to live separated from one another; it can be no insurmountable obstacle in reunifying the North and South.

If reunification is based on the national commonness which has been inherited down through history, the two systems can coexist within the bounds of one nation and one united state. Refusing to see this possibility and asserting the "theory of unifying systems" into one state and one system saying, under the pretext of restoring "homogeneity," that the country has no alternative but to remain divided until the systems are unified, is tantamount to an attempt to keep the country divided for ever and, in the final analysis, to refuse reunification.

We can leave the matter of unifying the different systems in the North and the South to our posterity for its slow but smooth settlement in the future. But we must not delay any longer the matter of establishing a unified state as one nation, transcending the difference in ideas and systems.

When the two different systems and governments exist really in North and South and neither of them wants to concede its own, their unification into a single system is infeasible, and when it will be realised is unpredictable. Worse still, establishing a single system presupposes one side eating away the other, regardless of the methods, so it is unacceptable to any side. If one side tries to force what is unacceptable on the other, it will inevitably aggravate distrust and confrontation and, further, cause conflicts and an irretrievable national disaster.

Recently the South Korean authorities, bewitched by the method of amalgamation through absorption adopted by a foreign country, are dreaming a fantastic dream of applying such a method in our country, too, by relying on foreign forces, through entreaty diplomacy, pursuing what they call the "northern policy". They are making requests for the interference and intervention of other countries in order to force theirs on the other side, instead of showing sincerity in the talks with the same nation. This is an expression of their sycophant mentality and attitude to keep the country divided for ever as well as the replica of the bankrupt policy of "reunification by prevailing over communism."

In our country "reunification by prevailing over communism" is a wild fancy which will never come true. It has already been proved by history that our country cannot be reunified by one side eating away the other, either by war or a peaceful means. The South Korean authorities must understand clearly that the independent stand of our party and the government of our republic is unshakable and that socialism we have built by implementing the chuche idea is unconquerable.

Reunification by means of confederation on the basis of one nation, one state, two systems and two governments is the great principle of defining the method of national reunification suited to the present situation in our country. The only and quickest way for the North and South to reunify the country peacefully by ending national division and reconciling and uniting each other as a homogeneous nation is to put this great principle into practice.

We have already put forward the proposal for the establishment of the democratic confederal republic of Koryo [DCRK] as the method of federal reunification on the basis of one nation, one state, two systems and two governments. This proposal enjoys active support and approval from the broad sections of our fellow countrymen in South Korea and abroad, to say nothing of the people in the Northern half of the Republic.

We believe that the idea of establishing the DCRK is the fair common ground for national reunification which can serve as the basis of national agreement. However, in an effort to make it easier for the whole nation to reach national agreement on this proposal, we are ready to consult the matter of gradually and completely effecting reunification through confederation by vesting the regional autonomous governments of the confederal republic with more rights on a tentative basis and then increasing the functions of the central government in the future.

As far as the question of UN membership is concerned, we consider it best to enter it under a single state name after reunification through confederation. But, if it is on condition that the both sides of our country enter the UN as one member, we shall have no objection to holding UN membership even before reunification.

Reunifying the country by founding the DCRK will make it possible to meet the cherished desire of the nation for reunification, with neither side having its interests infringed upon, and to show the resource and pride of a unified nation to the world.

If they are really interested in national reunification, the South Korean authorities should not dream of "reunification by prevailing over communism" which is impossible, nor should they fool the people with the spectre of "reunification by communization". On the contrary they must accept our proposal for reunification by means of confederation which tolerates neither "prevailing over communism" nor "communization", nor invasion from the South or "from the North".

With a view to reaching a nationwide agreement on the method of national reunification, we propose to convene a political consultative conference for national reunification as soon as possible in which the authorities, and representatives of political parties and organizations of the North and the South sit together to decide upon the way of national reunification.

In order to quicken national reunification, a great unity of the whole nation must be realised.

National reunification is the independent cause of our nation which nobody can carry out in our stead; it is the cause of the whole nation which cannot be achieved merely by the efforts of the authorities or privileged classes. All political parties, organizations and people from all strata in the North, in the South and abroad who reject "two Koreas" and truly want national reunification must unite their will and efforts and achieve great national unity by placing the pressing demand and interests of the nation above all else.

For the great national unity, they should not discriminate between ruling parties, opposition parties and those out of office, nor deal with the minority differently from the majority, nor take issue with people about the difference in their political views and past faults, refraining from distrust and prejudice against the other party. The political forces of each party and each group and people from all strata who desire national reunification must reconcile their policies and actions with one another's and support and unite one another on the common front for national reunification and develop a dynamic, nationwide mass movement for peace and reunification.

A matter of special importance today in realizing great national unity is that the statesmen of the North and the South make mutual contacts, have dialogues and deepen their trust. Today when dialogues between authorities are under way and nongovernmental people from all strata, too, desire to meet for a dialogue, it is shameful for the statesmen, who assume a heavy responsibility for the destiny of the nation and the future of the country, to sit with folded arms, keeping a barrier between them. We will meet men of the ruling party as well as men of opposition parties and individuals out of office in South Korea irrespective of the forms of dialogue, whether it is bilateral or multilateral, and keep the door of dialogue for reunification for everyone wide open.

The talks between the authorities of North and South can never be the only channel of the North-South talks. The South Korean authorities must discard such a narrow-minded, self-righteous attitude as preventing even the talks between nongovernmental people while neglecting to promote the North-South High-Level Talks; they must abolish the "laws" hostile to the North, immediately release those who have been arrested and imprisoned on the charge of visiting the North or of meeting us to discuss the matter of reunification abroad and provide all the South Korean people with equal rights to contact and talk with the North freely.

Reunification represents patriotism and division means treachery to the nation. All Koreans in the North and South and abroad, who love the country and the nation, must shatter all the moves to keep the country divided for ever and rise up as one in the sacred struggle for national reunification and must make this year a year of relaxation and peace, a year of reconciliation and unity and a historic year of bringing a new phase to national reunification.

The change in the international situation today proves eloquently the justice of the anti-imperialist, independent foreign policy our party has consistently maintained.

The imperialists are clamouring about the end of a cold war and the arrival of the time of peace. But the international situation is still tense and complicated and a sharp confrontation and struggle between socialism and imperialism and between progress and reaction are going on.

They are trying more openly to realize their wild dream of dominating the whole world. As a result, the people's cause for independence is meeting with a grave challenge.

The imperialists' strategy of "peaceful transition" is, in essence, aimed at bringing the socialist countries into the sphere of their political and economic domination by undermining them from within and swaying them to the path of capitalism. In the name of "aid" and "cooperation" the imperialists are forcing the independent developing countries to reorganize their political and economic systems to facilitate imperialist domination.

Taking advantage of the destruction of the balance of forces in the international relations, the imperialists are acting more outrageously, launching piratic armed aggression against the sovereign countries without hesitation and creating the danger of devastating war by paving the road to a new, larger-scale aggression on the plea of opposing aggression.

The reality shows us that the aggressive and predatory nature of imperialism has not changed at all and that it is imperialism and none other that is the ringleader who is menacing peace and creating difficulties and confusion in the people's struggle for independence, sovereignty and socialism.

The world progressive people must not be deceived by the imperialists' honeyed words, pin their hopes on their deceptive "aid" but forge ahead under the unfurled banner of independence against imperialism.

The government of our Republic will continue to adhere firmly to the foreign policy of independence, peace and friendship and make every effort to develop the relations of friendship and cooperation with the peoples of socialist and non-aligned countries and the rest of the people throughout the world.

The government of the Republic will strive to destroy the old international order of domination and subjugation, establish the new one on the basis of independence and develop South-South cooperation in all fields of politics, the economy and culture on the principle of collective self-reliance.

Today Asia is entering a new stage of development.

If they unite and cooperate closely with one another on the principles of independence, equality and mutual benefit, the diligent and talented Asian people can achieve the security and common prosperity of Asia and contribute to the cause of world peace. The government of the Republic will actively develop the relations of friendship and cooperation with the peoples of many Asian countries in order to build a new, independent, peaceful and prosperous Asia.

There may be temporary setbacks and tortuous events in the course of the advance of history, but it is an immutable law that humanity advances along the road of independence, the road of socialism. Those who yield to the difficulties in the way of their advance, give up the principle and go astray from the orbit of history will not escape from failure and ruin; the people who hold fast to the truth and principle and follow the trend of history will surely emerge victorious. This is a lesson humanity has learned from the turn to the 21st century, a turn which is taking place in the complex struggle between the new and the old and between progress and reaction and in the confused situation.

Our people who follow the road of socialism with faith and optimism under the correct leadership of the Workers' Party of Korea will be crowned with victory and glory.

Let all of us fight to attain a higher peak of socialism and hasten the independent and peaceful reunification of the country, united firmly behind our party and the government of our Republic under the revolutionary banner of the chuche idea.

Party Central Committee, Presidium Attend Speech

SK0101061291 Pyongyang KCNA in English 0517 GMT 1 Jan 91

[Text] Pyongyang January 1 (KCNA)—The great leader Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Repulic of Korea, delivered a New Year address at the Kumsusan Assembly Hall on January 1 on the occasion of the New Year 1991.

Present were members of the Presidium of the Political Bureau of the Central Committee of the Workers' Party of Korea, members and alternate members of the Political Bureau and secretaries of the WPK Central Committee, vice-premiers of the administration council, members and alternate members of the WPK Central Committee in Pyongyang, leading officials of party and power bodies, administrative and economic organs and working people's organisations, generals of the Korean People's Army, and responsible men of sciences, education, health, culture and art and the press.

Reunification Committee Holds New Year's Party

SK0201073091 Pyongyang KCNA in English 0613 GMT 2 Jan 91

[Text] Pyongyang January 2 (KCNA)—The Committee for the Peaceful Reunification of the Fatherland (CPRF) and the Yun I-sang Music Institute hosted a party on January 1 on the occasion of the New Year.

Mr. Yun I-sang, chairman of the overseas headquarters of the Pan-national Alliance for Reunification and a prominent musician, and his wife now staying in the socialist homeland were invited to the party.

Present on the occasion were Yun Ki-pok, vice-chairman of the CPRF, Chang Chol, vice-premier of the administration council and minister of culture and art, Paek Nam-chun, director of the secretariat of the CPRF, and officials concerned and artists in the city.

The party was addressed by Yun Ki-pok and Yun I-sang.

U.S. Pressure on South To Open Markets Noted

SK3112102290 Pyongyang KCNA in English 1003 GMT 31 Dec 90

[Text] Pyongyang December 31 (KCNA)—A U.S. trade representative in a TV appearance in Washington on December 29 threatened that South Korea would be retaliated on, if it failed to liberalize trade.

Earlier, the U.S. President sent a "personal letter" related to the "trade issues" to the traitor No Tae-u, urging him to comply with the U.S. demand at an early date, and Solomon, a U.S. Congressman, flew to Seoul to pressure the puppets into market-opening.

This shows how desperately the U.S. imperialists are trying to keep control on the South Korean markets and intensify their colonial plunder.

Seized with uneasiness by their master's demand and threats, the puppet clique are taking such submissive steps as moving up the date of market-opening.

Officials Attend Banquet for Disabled Soldiers

SK0201075391 Pyongyang KCNA in English 0632 GMT 2 Jan 91

[Text] Pyongyang January 2 (KCNA)—A banquet for the participants in the national honored disabled soldiers art circle performance was arranged at the Chongnyu Restaurant on January 1 under the loving care of our party.

Present there were Pak Song-chol, Choe Kwang, Kang Hui-won and other senior officials.

Kim Chung-nin made a toast at the banquet.

He said the honored disabled soldiers have kept the flower of revolution in full bloom enjoying unbounded happiness thanks to the noble obligations and meticulous and deep love of the great leader President Kim Il-song and dear Comrade Kim Chong-il who spare nothing for the sake of the honored disabled soldiers.

All the honored disabled soldiers, he stressed, must cherish this great loving care and trust deep in their hearts and more stubbornly fight for the accomplishment of the cause of socialism, the revolutionary cause of chuche.

Many honored disabled soldiers present at the banquet renewed their determination to uphold the leadership of the party and the leader with loyalty for ever with the high sense of national pride and honor that our leader is the greatest, our party is the best and our socialist system, an embodiment of the chuche idea, is the best in the world.

On the same day, four honored disabled soldiers of the participants in the national honored disabled soldiers art circle performance were given significant feasts on their 60th birthday thanks to the solicitude of our party.

South Korea

Seoul Official Reports Bush To Visit in March

SK0201092491 Seoul Domestic Service in Korean 0800 GMT 2 Jan 91

[Text] It has been learned that U.S. President Bush will visit our country in March.

A relevant government official today said that there is the need for further consolidating the existing ROK-U.S. relations as allied countries in order to link the achievements made in the northern diplomacy—including President No Tae-u's visit to the Soviet Union last year—the efforts to establish diplomatic relations between the ROK and China, and the efforts to reunify the North and the South.

He revealed that the government is going to strengthen the friendship and cooperative relations between the two countries by promptly realizing President Bush's visit to the ROK.

This official said that although the ROK and U.S. Governments have not yet confirmed any specific itinerary, President Bush's visit to the ROK will be realized before or after his visit to Japan which is slated for March.

This official noted that in summit talks with President No Tae-u during his stay in the ROK, President Bush will discuss plans for cooperation between two countries to consolidate peace in northeast Asia. He will also discuss impending issues between the two countries, including removing trade friction, and the global situation since the Persian Gulf situation occurred.

It has been learned that the presidents of two countries will, in particular, discuss in depth forming a consultative body for peace in northeast Asia, which has been discussed fully between the ROK and the Soviet Union since President No Tae-u's Soviet visit, and measures for disarmament in the Asia-Pacific region.

Seoul To Pursue Nonaggression Declaration

SK0201045391 Seoul SEOUL SINMUN in Korean 1 Jan 91 p 1

[Text] It was learned on 31 December that the government has been positively studying a plan to accept North Korea's proposal for adopting a nonaggression declaration on the condition that our neighboring countries of the Korean peninsula will guarantee the implementation of this declaration.

It was also learned that, judging that it is very likely that North Korea will accept the North-South summit talks, the government is planning to propose that a North-South nonaggression declaration be adopted with the condition of an international guarantee.

A high-ranking government source said: "Even though it demands in the North-South High-Level Talks that a North-South nonaggression declaration be adopted, North Korea is doing so for propaganda purposes, rather than for practical purposes." He also said: "For practical nonaggression, we are considering a plan to adopt a North-South nonaggression declaration on the condition that a guarantee mechanism will be provided in which North and South Korea and the four powers in the vicinity of the Korean peninsula—the United States, Japan, China, and the Soviet Union—will form a joint consultative body and guarantee the implementation of the nonaggression declaration."

This source also said that during the 14 December ROK-Soviet summit talks, President No Tae-u and Soviet President Gorbachev extensively discussed the issue of an international guarantee for North-South Korean arms reduction and nonaggression and that this has something to do with the fact that during his recent interview with Japan's ASAHI SHIMBUN, President Gorbachev said that he is willing to participate in "international cooperation and a guarantee for the reunification of North and South Korea."

This source also said that it is more likely than any other time that the North-South summit talks will be held this year, adding: "North Korea is facing very serious economic difficulties and food shortages and is internationally isolated as a result of the changes in Eastern Europe and the establishment of diplomatic relations between the ROK and the Soviet Union. Therefore, North Korea will try to improve its relations with Japan and, to this end, it will have no alternative but to improve its relations with South Korea at least outwardly."

Referring to the North-South summit talks, this source said, "I think that North Korea will assume a passive attitude in a North-South dialogue during the first half of the new year because of the Team Spirit ROK-U.S. military exercise," adding: "However, it is very likely that North Korea will officially propose the North-South summit talks in the latter half." In this way, he strongly hinted that the North-South summit talks may be held this fall. This source also said that what North Korean President Kim Il-song will say in his New Year address will be noteworthy, adding that North Korea's cautious change of attitudes toward open-door policies, including the improvement of its relations with Japan, will be noticed in President Kim Il-song's New Year address.

*Speculation About Cabinet Reshuffle Reported

912C0064 Seoul CHUGAN CHOSON in Korean 16 Dec 90 pp 20-24

[By Reporter Yi Chin-kwang]

[Text] Speculation about a possible cabinet and Chongwadae staff reshuffle, which will be the pillar of President No's remaining term, is becoming a main topic in political sectors these days. There is a great deal of talk about the timing, scale, and reasons for the reshuffle. According to one rumor, in order to demonstrate No's strong leadership before the end of the year, the reshuffle will occur in late December, after the Moscow summit and the current National Assembly session are over. Others speculate that it will take place in early January. Early rumors regarding the reshuffle are beginning to emerge, and political observers are busy speculating and predicting who will be in the new cabinet.

Thus, speculation about the timing is divided between late December and early January.

Those who predict late December point to a promise President No made last spring when he declared that national politics, economics, and social affairs, etc., are a shambles, and he promised to control the political, economic, and social unrest by the end of the year. It is a general feeling that not even one part of No's promise has been fulfilled thus far. Therefore, President No will attempt to restore his leadership through a major cabinet reshuffle before the new year. Furthermore, they insist that somehow President No has to let the people know how he is progressing with his spring promise. Accordingly, "a careful study is ongoing to ensure that the reshuffle reflects and will be judged by the public as No's spring promise carried out." So, if this school of thought is correct, the reshuffle will take place after No returns from the Moscow summit.

On the other hand, the school of thought that believes in an early January reshuffle points to the fact that President No must give a New Year's message to the nation, and what better time than that to introduce his new cabinet members? Futhermore, according to this group, why should the president waste the "reshuffle card" before the new year when he has the historic Moscow summit for the month of December? Therefore, the reshuffle announcement will be wisely used for a fresh start in the new year.

Despite the divided predictions of timing for a reshuffle, names, backgrounds, and reasons for possible appointments are still floating around all political sectors. The position of prime minister, which can easily be considered the key to the reshuffle, is definitely a possibility for change. First of all, based on the opinions of some politcal pundits, Prime Minister Kang Yong-hun, who was appointed in the 5 December 1988 cabinet reshuffle and who has finished his second year in office, must be removed to inject new energy into and provide a new image for the cabinet, which will carry out President No's final political stage. Prime Minister Kang who is probably sensing the need for a new image, has yet to name a replacement for his chief administrater, An Chi-sun, who died on 19 November while working.

The names currently being discussed for the prime minister's post are: Ambassador to Japan Yi Won-kyong; former Foreign Minister Choe Kwang-su; Ambassador to the United States Pak Tong-chin, etc. It is interesting to note that all three are foreign service officers. The political observers' analysis of this is that in order to further carry out the northern policy, to meet and manage the rapidly changing international political situations, and to be ready for the new dynamics in North East Asia, a man with expertise in world affairs and foreign relationships is required.

Ambassador Yi Won-kyong's case is that he has been a "regular customer" for the post of prime minister at each and every cabinet reshuffle, but he was never selected because he is from the TK [Taegu/Kyongsang] group. His gentle mannerisms and precise character, etc., make him popular both within and without the TK group, which is his strength. He served under Pak Chong-hui as the minister of culture and information, and under Chon Tu-hwan he was the minister of sports and a minister of foreign affairs. Not long ago, even the Japanese media reported that Yi's chance for prime minister had strengthened.

Possible public condemnation, such as the question: "Is the No government a TK republic?," cannot be ignored by No, but some political observers believe that at this late stage of his presidency No can easily ignore public resentment for the TK group. In order to prevent any politcal waste, they insist that President No will weigh much more heavily a man whom he can trust over resentment by the public and media.

According to another group of observers, if Yi Won-kyong is not appointed because of his TK background, Choe Kwang-su is next in line. Some oppose this possibility because of a rumor that Choe is to become the next ambassador to the United States. However, the group that believes in Choe's appointment points out his strong background which easily qualifies him for the job. He started out as a foreign service officer, then became the Ministry of National Defense's assistant secretary for munitions, then became the vice minister for national defense. He continued on to powerful positions, such as, the presidential secretary general under President Choe Kyu-ha, the first minister at large, the minister of communications, the minister of foreign affairs, etc. There are many who believe that Choe's background makes him a strong candidate for prime minister. Because of his foreign service experience Choe has an exceptional sense and talent for foreign affairs, and he also has an excellent knowledge and a clear vision of today's domestic politcal situation. In early 1980, during the politically difficult transition period under President Choe Kyu-ha, he was the presidential secretary general, which gave him real and very valuable political experience. Along with this experience, his desire for precision together with an understanding for politics, etc. highly qualify him to be the man who can handle and lead the cabinet during President No's remaining term. Also, being only 56 years old, he can inject needed vitality into the government. Ironically, according to some observers, his young age may handicap his chance. Incidentally, recommended by only a few people, Choe was considered for the prime minister's post for the first cabinet of the Sixth Republic.

There also is a group who believes that Ambassador Pak Tong-chin may be a strong candidate for the job. Pak is 69 years old, the same age as Ambassador Yi Won-kyong. Pak and Yi started their careers at about the same time and their careers and experience were built through healthy competition. Pak is also from Taegu, a member of the TK group, but, according to the consensus, Pak has much weaker influence than Yi in the TK group. In about 1961 both served vice ministers' posts in the Foreign Affairs Ministry. Although Yi reached the rank of minister before Pak, Pak was the minister of foreign affairs before Yi. In 1974, Yi was appointed minister of culture and information. Pak's appointment to the post of foreign affairs minister came in 1975, which lasted until 1980—a long time for a minister. It was only in 1983 that Yi was appointed to the post of foreign affairs minister. According to some observers, when rumors about Yi's strong chance for the job emerged, Pak himself, aiming at the prime ministership, began to investigate to determine if he also were being considered for the position.

Next to a change of prime minister, the fate of NSP [National Security Planning Agency] Director So Tong-kwon is of great interest to the political observers. So Tong-kwon, a member of the TK group appointed to the job in July 1989, has a good reputation for handling the difficult political matters. Thus, some believe he will remain on the job, but others think that his leadership lacks the style and precision needed to carry out the NSP mission.

Political observers are quite interested in watching recently retired Public Prosecutor General Kim Ki-chun's activities, tying him to the possible shuffle in the NSP directorship. It is known that President No thinks highly of Kim's leadership ability, which he demonstrated as the first prosecutor general since the post changed to a designated term of office, which he completed with high marks. If the change of the NSP director is included in the reshuffle, Kim is to be the very first candidate for consideration. Kim has done a fair amount of work at the NSP during his career and is considered a man who knows the NSP duties quite well. A leading opinion is that next year is expected to be a very busy election year beginning with the local autonomy election in the spring. Thus, a man like Kim, who has a proven record of the ability to carry out the job effectively, is just right for a time like that.

Another prediction regarding Kim Ki-chun is the possibility of Kim becoming the next minister of home affairs. According to political observers, current Minister of Home Affairs An Ung-mo, will surely change since the "war against the crimes" program has hardly achieved its original target and is becoming a political burden rather than the politcal plus for which the administration hoped. In short, the consensus is that in the event a change of NSP director is not included in the reshuffle, Kim is a sure candidate for the minister for home affairs.

As for the cabinet itself, for the time being, all of the ministers who came on board with Prime Minister Kang Yong-hun on 5 December 1988 will be considered for replacement. There are only three ministers in that category: Minister for Foreign Affairs Choe Ho-Chung; Minister for Education Chong Mun-sik; and Minister for Information Choe Pyong-yol.

As for Minister Choe Ho-chung, people both in and out of government offices strongly predict that he will stay. Rapidly changing world political situations pour out piles and piles of work to the ministry, which is already overworked, so in order to maintain the continuity he will remain in the job. To support this theory, no names for the post have been mentioned anywhere. Nevertheless, one can never entirely rule out the possiblity of a change.

As for Minister Chong Mun-sik, his leaving the post is pretty much a known factor. A strong candidate for the minister for education post is current SNU [Seoul National University] President Cho Wan-kyu. Leading opinion has it that the reasons for favoring Cho are his fine leadership as the SNU president, and his degree in natural science. Having an education minister with a natural science degree could inject fresh air into the educational arena.

As for Minister Choe Pyong-yol, considering he has been criticized by the opposition and his own ruling party for the ministry's handling of the privatization of radio and TV station matters, it is the political observers' consensus that he will be replaced. However, even though he has been criticized by many of his own ruling party members because of his stubbornness and outspokenness, he is known to have President No's continuing, strong trust.

Choe, who served as the presidential senior secretary for political and state affairs at the beginning of the Sixth Republic, is known to have expressed his desire to return to the Chongwadae. Down deep, according to some rumors, Choe really wants to have the presidential secretary general's post. Thus, some political sectors believe that in the event Minister Choe is replaced, it will be directly linked to a reshuffle of the Chongwadae staff—the office of the president. One source mentioned that if President No's appreciation for Choe's ability is high enough, there could be a direct exchange between Minister Choe and Choe Chang-yun, current Chongwadae presidential senior secretary for political and state affairs. The same source added that because the privatization of radio and TV station matters became a political scandal, the removal of Minister Choe could easily give an impression that he was being punished. To counter that, Minister Choe may be appointed to be special assistant to the president for politcal affairs, a post currently held by Yi Hong-ku.

For the post of minister for information, besides Choe Chang-yun, the current senior presidential secretary for political and state affairs, who also served as the vice minister for culture and information, the possibility of selecting a ranking person from the media is also being seriously considered, according to some political observers.

Only because their appointments were made a short while ago, ministers such as Minister for National Defense Yi Chong-ku; Cho Kyong-sik, the minister for agriculture, forestries and fisheries; Kim Chin-hyon, the minister for science and technology; Minister for Environment Ho Nam-hun, etc., are pretty sure to remain on the job. Kim Tong-yong, the first minister of state, will not be considered for a change because of the DLP's [Democratic Liberal Party] delicate power structure. Minister for Culture Yi O-ryong probably will remain on the job too since his fresh approach to administering cultural affairs has received very high marks.

As for the economics team, although the main interest is focused on the post of deputy prime minister, who has the additional job of administering the Economic Planning Board, a mass reshuffle is expected. In other words, the possibility that the current Deputy Prime Minister Yi Sung-yun will be replaced definitely exists. Although no names were seriously discussed for the job, former Minister for Finance Sagong Il and Kim Chong-in, current senior presidential secretary for economics affairs, have been casually mentioned. Also, Kim Yong-hwan (former chairman of the DLP policy making committee), who has Kim Chong-pil's support, was mentioned as well.

Since President No has an immense trust in Presidential Senior Secretary Kim Chong-in, Kim's remaining as the senior secretary is not even in question; talk of possible promotion to a higher position is more realistic. According to one source: "if Kim is considered for a ministerial post, his post will have to be the minister for finance."

Other names like Choe Chang-nak, former minister for energy and resources (currently full-time vice-chairman of the Chongyongyon) and Kim Yu-kyo, director of the Foreign Economy Research Center, etc., are mentioned for other economic cabinet posts. Although the Ministry for Labor is a member of the economics team, it is also a political ministry. For the labor minister's post, Representative Nam Chae-hui, the man who was elected from Seoul for four terms, is known to be a strong candidate.

Also the possible reshuffle of the Chongwadae staff—the Office of the President—holds high interest for the political observers. Their attention is focused on the fate of Secretary General No Chae-pong. At the moment, the possibility of No's staying is quite strong, but at the same time there is talk that the current Minister for Labor Choe Yong-chol may become the next presidential secretary general. Choe's resume includes minister for communications, vice-speaker of the National Assembly, and he is from the city of Mokpo, South Cholla Province. So, if Choe becomes the next presidential secretary general, according to one source, there is discussion about No Chae-pong taking the National Unification Board post which was recently upgraded to deputy prime minister's rank. Also, another possibility expressed is that if No Chae-pong stays and Choe Pyong-yol, as mentioned earlier, becomes the special assistant to the president for political affairs, then the post of National Unification Board minister will go to Yi Hong-ku.

Also, while one group is talking about Choe Kwang-su, known to be in line to be the next ambassador to the United States, becoming the prime minister, Hong Song-chol, the current minister of the National Unification

Board, may become the next ambassador to the United States. Another group predicts that Yi Hong-ku, current special assistant to the president for political affairs, the Yale man, who has a wide range of friends in the United States, will become the next ambassador to the United States.

Along with Minister Choe Pyong-yol, DLP Representative Son Chu-hwan is also known to be a candidate for the post of special assistant to the president for political affairs.

Kim Yong-il, who was recently promoted from the position of Chongwadae's audit and inspection secretary to the position of senior secretary for civil affairs, has studied the possibility of establishing a senior secretarial post for the Audit and Inspection Office, but the decision was made to maintain both activities under one senior secretary. Also rumored is that there is a push to establish a special presidential assistant for legal affairs who can take charge of the National Assembly's legislative procedures, and along with that rumor, Hyon Kyong-tae, the chairman of the National Peace and Unification Advisory Council, is being mentioned.

No Chang-hui, the senior secretary for protocol affairs, is known to be the next ambassador to the United Kingdom, and current UN Ambassador Hyon Hong-chu is known to be under consideration for No's replacement. If that happens, Hyon is not becoming a mere senior protocol secretary. He will be used in a chief of staff-like role for him to use his brilliant policymaking skills as well, which is interpreted by political observers as a move to strengthen the Chongwadae staff. And, they added, if that happens, Yi Hong-ku will be an ideal replacement candidate for the UN ambassador post. However, considering the facts that Ambassador Hyon has not been appointed to the current post that long, that the importance of the UN roles is expanding, and that the UN has been a window to the ROK's northern policy, etc., Hyon may remain in the UN post. If so, the chance for promotion of current Protocol Secretary Yi Pyong-ki to the position of senior secretary for protocol affairs is very good.

Political observers safely bet that the Chongwadae Spokesman Yi Su-chong and Kim Hak-chun, the assistant to the president for policy research, will remain in their respective posts.

* Young DLP Lawmakers Demand Party Reform

* Reports on New Voices

912C0043A Seoul TONG-A ILBO in Korean 14 Nov 90 p 3

[Article by reporter Yi To-song]

[Text] The internal dispute within the DLP [Democratic Liberal Party] touched off by the leakage of the secret agreement to promote a revision of the Constitution to introduce the cabinet form of government has been patched up just as it was on the verge of splitting the party. However, the crater is still there, ready to erupt again at any time.

The Young Turks and some key assemblymen of the DJP [Democratic Justice Party] wing of the DLP, who are skeptical about the leadership quality of the party hierarchy, while going through the intraparty turmoil over the issue of revising the Constitution for the cabinet form of government, held a meeting some time ago demanding radical party reform. Freshman DLP assemblymen in their 40's also held a similar meeting on the afternoon of 12 November. In addition, during the stay in Masan of the representative member of the Supreme Council, Kim Yong-sam, a few assemblymen belonging to the RDP [Reunification Democratic Party] wing even resolved to bolt the DLP, although their resolution aborted subsequently. The current atmosphere of the DLP is such that it is quite possible that the now dormant air current within the party will burst into a "rectification movement" in the future.

Needless to say, given the limitations of their temperament as "government party members," what impact these new moves will have on the political world is still an unknown quantity. Nevertheless, it is a fact that there are some elements in them which will make them hardly a passing phenomenon.

First, these moves have emerged at a time when criticism against the DLP leadership was mounting daily inside and outside of the party, and when the popularity of the DLP remained at the bottom.

For this reason, the gatherings of these assemblymen may be interpreted as an attempt at "self-rescue" to preserve their own political lives, and their intentions cannot but be serious to them as individuals.

The second factor which may be pointed out is the objective condition that the power of control on the part of the party leadership, including President No Tae-u in his capacity as party president, tends to diminish.

The greatest "weapon" that the party leadership can have is the power to nominate candidates for the 14th general election. But, under the circumstances in which the party popularity is low and the three wings share the same local constituencies, how much influence the nominating power will exercise can only be an unknown quantity.

Third, we may point out the fact that in the process of discussing the merits and demerits of party performance with the approach of the first anniversary of the inauguration of the DLP, the argument in favor of "shift in generation" and the "theory of hues" are gaining ground.

Criticism is mounting daily against the fact that government is being victimized by the reckless desire for power on the part of a handful of individuals; and public opinion is equally critical of the "mentality of field rats" of those assemblymen who blindly follow the chieftains of the different wings of the party who are burning with passion for power. It therefore deserves attention that the aforementioned gatherings took place under these circumstances.

The fact that the subjects of discussion at these meetings were converged on these themes just mentioned makes it possible to attach a special significance to the meetings as something more than an expression of dissatisfaction with the party leadership.

—Freshmen DLP assemblymen in their 40's from the three wings met at the M restaurant in Mapo, Seoul, on the afternoon of 12 November. According to belated reports, the main thrust of the conversation on this occasion was criticism against the party leadership and a search for a "new way out of the difficulty."

Present at the gathering were: Assemblymen Chong Hae-nam, Yi Kung-kyu, Yi Kang-hui, Yim Mu-ung, and Chon Yong-won from the DJP wing; Assemblymen Kim Tok-yong, Paek Nam-chi, Yi In-che, Sin Yong-kuk, Cho Man-hu, and Yu Sung-kyu from the RDP wing; Assemblymen Yu Ki-su, Yun Chae-ki, and Chong Il-yong from the NDRP [New Democratic Republican Party] wing. There were 15 all told, including Chong Mong-chun, who was an independent when he joined the DLP.

They characterized their meeting as an occasion to "raise a new political wind transcending factional differences." But, depending on to which wing they belong, they invariably showed some differences of view.

With regard to the fact that public distrust, not only in the DLP but also in the political world as a whole, is mounting, the assemblymen from the DJP and NDRP had no objection to the argument that the party leadership needs to reform itself with a keen sense of responsibility.

One of them even singled out Kim Yong-sam, senior member of the Supreme Council, by saying: "I recognize his meritorious services, and respect him for his sacrifices, in the struggle for democracy. But, I cannot respect him if his services and sacrifices change into an obsession for power."

Naturally, the assemblymen from the RDP wing must have been embarrassed by this kind of atmosphere of the gathering. In an attempt to soften the atmosphere, Kim Tong-yong and other assemblymen appealed: "Let us elevate this gathering to the level of a meeting of a young generation trying to overcome the intraparty discord through development of policies which transcend factional interests." According to one of the participants, however, this appeal drew a rather unfavorable reaction.

When this gathering looked like an attempt at a "rectification movement," assemblymen from the RDP wing alleged that: "As a matter of fact, this gathering is an outcome of the strategy of First Minister of State Kim Tong-yong who sought to have Assemblyman Pak Nam-chi band young lawmakers together." Assemblymen from the DJP and NDRP wings, dumbfounded by this allegation concerning the background of the gathering, said: "If you are going to say things like that, you had better not attend our gatherings in the future."

Because of this complication, it is hard to predict what course this group of freshmen lawmakers will take in the future, but as things stand now, it is a fact that quite a few assemblymen are showing "considerable interest."

—Apart from the gathering described of freshmen lawmakers in their 40's, attention is also focused for now on a gathering of DJP assemblymen which made a move already two months or so ago.

The key members of this group are: Assembymen Yo Chong-chan, Sim Pyong-po, Yi Cha-hyon, Yi Chi-ho, Sin Sang-sik, O Yu-pang, Kim Hyon-uk, Chang Kyong-u, and Kim Chung-wi. During the intraparty turmoil over the secret memorandum on cabinet government, Assemblymen Yi Chun-ku, Yi Han-tong, Kim Yong-tae, and Son Chu-hwan were present at a meeting of this group. In addition, Pak Tae-chun, member of the Supreme Council, presided over their meetings on one or two occasions.

As is evident from the controversial statement made by Assemblyman Kim Chung-wi at a DLP caucus, these DLP assemblymen are demanding DLP reform, including intraparty democracy, while overtly showing their rejection syndrome against Kim Yong-sam. In other words, they are following a basic line similar to that advocated at the gathering of assemblymen in their 40's.

Of course, some of them hold positions and views different from each other. It deserves attention, however, that they are determined with their backs to the wall. They say: "Given the shattered hope for a revision of the Constitution for the cabinet system, the runner in the presidential race should be chosen through a competitive election; and even when the party leaders are named by a secret agreement, we shall never accept it."

They have an internal agreement, however, that until the regular National Assembly session comes to a close, they will take no overt action. Accordingly, the "rectification movement" may get under away early next year, at the earliest.

Wolgyesuhoe [the Laurel Organization], a separate DJP group led by Assemblyman Pak Chol-on, and the bolt-DLP signature faction within the RDP wing are in a sense seeking to break the status quo; accordingly, these two groups are likely to be a variable in the party lineup or party management.

* Editorial Hails New Move

*912C0043B Seoul HANGUK ILBO in Korean
15 Nov 90 p 2*

[Editorial: "New Voices in the DLP: A Time for Freshmen Lawmakers To Put Forth Efforts"]

[Text] A move for structural reform and shift in generation is afoot within the DLP. The standard bearers are freshmen lawmakers in their 40's. This move gives a fresh impression as it comes at a time when the DLP leadership fails to present a fresh vision to the nation, the DLP's popularity is at its lowest ebb, and there is a wide consensus across the entire spectrum of society calling for a shift in generation.

The demands of freshman lawmakers in their 40's began with a challenge and protest against the way the party has been managed by the whims of a handful of leaders. They have made these points one after another: "We cannot be victimized by the squabble for presidential power among the leaders;" "blind obedience to the factional bosses is not the right path to democratic government," and "the voices of assemblymen in their 40's, the political protagonists of the next generation, should be reflected in party management."

It seems that the party is split down the middle as to how to view the sudden "protrusion" of these lawmakers. Those who take a positive view of them are of the opinion that these lawmakers from local constituencies are correct in thinking that the DLP requires a reform of its party ethos and a transfusion of new blood to correct its current image as a party of internal squabble and chaos. On the other hand, those who take a negative view think that the gathering of these lawmakers will not go beyond the limits as a factional gathering in view of the fact that this group of freshman lawmakers includes key members of the various factions, namely, members of Wolgyesuhoe led by Assemblyman Pak Chol-on and close aides and staff members of Kim Yong-sam, the representative Supreme Council member, and Kim Chong-pil, a member of the Supreme Council.

Nevertheless, the move of the group of these reform-minded lawmakers cannot be ignored in view of the fact that at their first meeting, there was a crossfire of bitter criticism against the party leadership, including the one No and the two Kims, and that they decided to meet once every month in a move to develop new party policies and reform the party structure. Separately from this group, key assemblymen and freshman lawmakers from the DJP wing began to demand party reform two or three months ago, saying that "in the future, the presidential candidate should be selected through a democratic competitive election, and any backstage selection by secret agreement will never be tolerated." In addition, inasmuch as the electorate is expected to raise the winds calling for a shift in generation in the next general election, this is in a sense the time when the initiative of young politicians is needed.

The history of political parties in our county shows that whenever political parties failed to play their roles as responsible public parties or whenever the party leadership neglected efforts for democratic reform, a number of reform and rectification movements were launched. Typical of these is the argument within the then first opposition party, the NDP [National Democratic Party], that those in their 40's should be the standard bearers, and the rectification movement which was launched within the Republican Party after the 26 October assassination of then President Pak Chong-hui.

In order for the current party ethos rectification movement to succeed, a number of necessary conditions must be met. First, to sublimate this movement into a genuine movement to save the party, instead of making it end up a passing eruption of complaints and demands, the participants should bolt their factions so that they may take a genuine nonfactional stand. Second, it is necessary for the participants to make it clear whether their gathering is a friendship-society type designed to improve the image of freshman lawmakers in their 40's from various factions or whether it is a centrifugal force of reform.

Moreover, if this group is to launch a movement for reform and structural improvement, it should not stop at airing complaints about the party management method but come up with basic democratic reform plans in concrete forms. Through a steady movement, the group should play its role as a fresh pressure group within the party and as a stimulant for reform.

* Government To Revamp Finance, Stock Industries

912C0050A Seoul HANGUK KYONGJE SINMUN in Korean 27 Nov 90 p 3

[Article by Ko Kwang-chol: "The Direction of Reorganization Is Emerging As the Government Discloses the Criteria"]

[Text] When the decision to open the security industry to foreign firms and convert short-term investment companies to securities firms is put into practice on a full scale beginning next year in accordance with the criteria announced by the government, our financial industry will usher in a period of great transition.

Securities companies will enter an age of fierce competition when foreign securities firms set up their branches here, new partnership securities firms are established, and some of the short-term investment companies are converted to securities firms. In order for existing securities firms to survive the competition, they will have to specialize in a specific line of business.

At the same time, the short-term financial market is bound to undergo a metamorphosis now that the way is opened for some of the Seoul-based short-term investment companies to leave the short-term financial market and move into the security market, and even for local short-term financing firms to convert into general financial companies. What is more, the short-term financing firms which will remain after others have shifted will have no choice but to specialize in their original areas of business. Certainly this change is bound to bring about a radical change in the fund demand and supply pattern for the considerable number of enterprises which have hitherto depended upon short-term investment companies. It is anticipated that the change in the pattern of raising funds for enterprises will compel the government to modify its monetary and financial policies, and this in turn will bring about a sweeping change in the financial market as a whole.

In connection with the pending reorganization of the financial industry, attention is focused on these questions: Which of the short-term financial companies will convert to securities firms or banks?; Which companies will be at the center of the partnership securities companies which will be incorporated?; and is there any possibility of some conglomerates entering the securities field?

Whither Will Short-Term Financing Firms Go?

As of now, among Seoul-based short-term investment companies, Korea Investment and Finance Corporation is the only one which is certain to convert into a bank. All that this company, whose leading stockholder is a long-term credit bank, will have to do is increase its capital to satisfy the standard requirements for such conversion; and it wants to become a bank. The Ministry of Finance also takes the position: "As long as the Korean Investment and Finance Corporation is concerned, conversion is no problem."

Given the announced desire of the Ministry of Finance to permit only one or two conversion cases, if two conversion cases are permitted in reality, one of the four short-term investment companies with equity capital exceeding 100 billion won will be the other one which will be able to obtain the ticket to banking business in addition to Korea Investment and Finance Corporation. The four companies are: Hanyang, Daehan, Orient, and Central Investment and Finance corporations (Seoul Investment and Finance Corporation is excluded because it is an affiliate of the Commercial Bank of Korea). These four short-term investment companies can convert to banks only by merging with other short-term investment companies because they are affiliated to their respective conglomerates.

Of the four, Hanyang is reportedly seeking conversion to a bank, but it is not certain yet whether it has found a would-be merger partner.

There are a number of short-term investment companies which seek to convert to securities firms, and chances for such conversion are also great.

First, 10 short-term investment companies other than six companies which have securities firms among their sister affiliates—Korea Investment and Finance Corporation (Korea Investment and Securities among its sister affiliates), Hanyang (Dongnam Securities), Orient (Orient Securities), Jae-Il (Shinhan Securities), Samhee (Korea First Securities), and Goldstar (the Lucky Securities)—can switch to securities business if only they so desire. Of these 10, three—Seoul Investment Company affiliated to the Commercial Bank, Shinhan Investment and Finance Corporation affiliated to Korea First Bank, and Hansung Investment and Finance Corporation affiliated to Cho Hung Bank—reportedly have decided to convert to securities companies. Their chances of becoming securities firms are high partly because they are not too concerned about the shrinkage of their market shares and partly because they have accumulated know-how in their own way.

When these three bank-affiliated short term investment companies convert to securities firms, all the banks will have entered the securities business through their subsidiaries.

The chances for short-term investment companies desirous of switching to the securities business, aside from Seoul, Shinhan, and Hansung (these three firms have already decided to switch) will depend on their eagerness to switch on the one hand, and on the other, the number of conversion cases the Ministry of Finance will permit. As of now, Central Investment and Finance Corporation, which is affiliated to the Dongkuk Steel Mill; and Dongbu Investment Company, which is affiliated to the Dongbu group, reportedly have a strong desire to convert to securities firms.

If Central and Dongbu convert to securities firms, the total number of short-term investment companies entering securities business will be five. The Ministry of Finance feels that if the number is only five, there will be no problem at all. Daehan Investment and Finance Corporation affiliated to the Miwon group, Koryo Investment and Finance Corporation affiliated to Dong-Ah Construction Industries Company, and Samsam Investment and Finance Company affiliated to Samboo Construction Company are reportedly desirous of converting to securities firms. But their chances are not so good partly because existing securities firms are strongly against short-term investment companies seeking hastily to convert to securities firms, and partly because the Ministry of Finance wants only an optimum number of conversions.

It is certain that all local short-term investment companies will convert to general financing companies.

Attention is also focused on those big firms with no securities companies among their affiliates which desire to enter the securities business. The cases in point are Samsung, Sunkyong, and Lotte. These groups have no short-term investment companies; hence, they cannot enter the securities business through conversion. Neither can they become Korean partners to partnership securities firms with foreign companies. For these reasons, it would not be easy for them to enter the securities business.

Nevertheless, because they can absorb existing short-term investment companies and convert them to securities firms, rumors are circulating that Samsung, Sunkyong, and Lotte have launched a move to absorb some of the existing short-term investment companies. In Samsung's case, unconfirmed reports say that it has offered 200 billion won to H.D. Investment Company as the take-over price.

Entry of Foreign Securities Firms

All told, there are 24 foreign securities firms which have offices in Korea—eight American, six British, six Japanese, two French, one German, and one Hong Kong.

Of the 24, 14 companies satisfy the requirement of having passed two years or more since they opened their offices in Korea. The breakdown of the 14 firms is: four American (Merrill Lynch, Citicorp-Scrimgeourr, Prudential-Bache, and Hoare Govett; three British (Jardine Fleming, Baring Brothers, and Henry Shroderwag), six Japanese (Nomura, Yamaichi, Daiwa, Nikko, New Japan, Kangyo Kakumaru); and one Hong Kong (James Capell). Of these 14, Japan's Daiwa Securities is the only company which fails to meet the requirement for not having been subjected to disciplinary action by the regulatory authorities in their home countries. Therefore, logically, it is possible for the remaining 13 firms to establish branches (by means of upgrading their offices in Korea to branches).

The Ministry of Finance plans to permit some of these foreign securities firms to set up branches in Korea within some reasonable limits after weighing three factors—the level of mutual exchange of branches with respective countries (reciprocity), existing conditions in the securities market, and contributions to the domestic securities market in Korea. First, with regard to reciprocity, Korean securities companies have a total of 36 overseas branches, including 11 in the United States (New York), 11 in the United Kingdom (London), six in Japan (Tokyo), six in Kong Kong, and two in Switzerland (Zurich). According to a Korea Development Institute (KDI) survey, the following countries have relative advantages compared with each other in descending order in entering the securities business in Korea: the United Kingdom, Hong Kong, the United States, and Japan. This is also the same order of preference for the countries in which Korean securities firms want to operate.

In the United Kingdom's case in particular, that country is very attractive to Korean firms, with the integration of the European Communities (EC) slated for 1992. As to Japan, four securities giants are virtually in control of the securities market, and what is more, the regulatory rules are cumbersome, according to the KDI. If weight is given to reciprocity as a criterion for licensing branches of foreign securities firms, chances are high that permits will be issued to two or three British firms, one Hong Kong firm, one or two American firms, and one or two Japanese firms. Korean securities firms are most afraid of Japan's entry into the Korean securities market.

It is too early to predict how many foreign branches will be permitted to operate in Korea. But, the KDI says that in view of the size of the securities market, five will be the right number in the early stage of opening.

Nevertheless, when whatever agreement which will be reached in the Uruguay Round of trade talks takes effect in 1992, the criterion of reciprocity becomes inapplicable and the opening of the market will go into full swing, with the result that the number of foreign branches in Korea will rise sharply.

It is hard to predict how many new securities firms will be incorporated as joint partnerships between Korean and foreign firms because large-scale business groups, corporations with a group of affiliates, the top 30 big corporations, and banking organizations and corporations (including the owners) affiliated with banking organizations are disqualified as potential Korean partners. Foreign securities firms want to form partnerships with big Korean corporations or banks enjoying high credit ratings, but these corporations and banks are disqualified as would-be partners.

However, there are quite a few firms which are modest in scale but cash rich, and one or two of them can be partners.

Korea Development Bank To Enter Securities Business

It is particularly noteworthy that the Korea Development Bank [KDB] has been authorized to set up a new securities firm. The KDB has a general financing company, a leasing company, and even a credit appraisal company; and when it comes to have even a securities firm as well, it will secure a foothold as a "comprehensive banking organization" both in name and reality. Some point out that in view of the fact that the KDB is a government-run bank financed by the government 100 percent, it poses a problem that the KDB has been authorized to form a securities firm. But, the Ministry of Finance explains that the KDB has its own justification to obtain the permit to form a securities firm because it has been smoothly supplying long-term industrial funds and has accumulated a rich experience in financial operations.

Nonetheless, existing securities firms are apprehensive about the securities firm which will be newly set up by the KDB.

When the decision of the Ministry of Finance to open the securities industry and permit short-term investment companies to convert to securities business goes into effect next year, the number of securities firms will be about 32 or 33, including 25 existing companies. The increment will include five converted from short-term investment companies, one KDB subsidiary, and one or two partnership companies. Foreign branches are expected to attach importance to the underwriting business—a field which is handled by the main offices of domestic securities companies. Therefore, if these branches are also counted as separate securities firms, the total will reach a whopping number.

Existing Securities Firms

In the future, the question of specialization is bound to confront securities firms, and existing securities companies need to brace for this issue. Reportedly, the Ministry of Finance has carried out to a considerable extent preparatory work designed to induce business specialization for securities firms. The ministry has announced that it will drastically increase the current capital requirement of 7 billion won to qualify as managing underwriter, and this action may be regarded as part of such preparatory work. However, the ministry says that this action should not be interpreted as an intention to arrange specialization by using the size of capitalization as a criterion.

This means that there is no need to follow the Japanese-style uniform specialization formula of giving an exclusive advantage to large securities firms in assigning underwriting and overseas transactions, and to give such exclusive rights to large firms, such as Daewoo, Daishin, Lucky, and Dongsuh securities firms with a capital exceeding 200 billion won. In the opinion of the Ministry of Finance, when a small firm desires to specialize in a specific field of operation at the expense of having to curtail its business in other areas, the government can provide active assistance in the specialization process.

Manifested to a certain extent in the criteria for the opening of the securities industry as announced by the Ministry of Finance, is the government position on the controversy over whether or not to permit the same firm to do banking business alongside of securities business. First, when a foreign bank doing securities business in its home country already has a branch in Korea, it will not be allowed to establish another branch to do securities business. This may be taken as meaning that the government for the time being will not allow any one firm to do securities as well as banking business at the same time. However, it is noteworthy that the KDB has been given permission to set up a securities firm and that short-term investment companies affiliated to corporations with no securities firms among their affiliates will be permitted to convert to securities firms. This, on the other hand, may be interpreted as an intention to permit banks to enter the securities industry through their subsidiaries and ultimately permit a combination of banking and securities operations.

Points of Issue, Tasks

The decision to permit foreign securities firms to conduct balanced mutual fund (BMF) operation and other operations related to securities business should be reconsidered. This is because in BMF operation, securities firms are required to take in more than 80 percent of the currency stabilization bonds allocated to the issuing market, but it is questionable whether foreign securities firms can observe this requirement.

On the other hand, the big problem emerges of how to cope with the changing fund-raising pattern of enterprises which will result from the diminishing number of short-term investment companies and the requirement for remaining short-term investment companies to concentrate on their inherent business such as financial brokerage, and how to cushion the side effects of the changing pattern. If the purpose of reorganizing the financial industry is to increase the efficiency of financial organizations and smoothly supply funds to enterprises and thus promote economic development, logic dictates that a reorganization of short-term investment companies should lead to a smoother supply of funds to enterprises. For this reason, efforts should be made to quickly devise supplementary measures to smoothly supply funds to enterprises while pushing for the conversion of short-term investment companies.

Brunei, Malaysia & Singapore

Malaysia

Prime Minister Delivers New Year's Message

BK0101151791 Kuala Lumpur RTM Television Network 1 in Malay 1230 GMT 31 Dec 90

[Speech by Prime Minister Datuk Sri Dr. Mahatir on 31 December; place not given—recorded]

[Text] Peace be upon you! We thank Almighty God for providing our multiracial society the opportunity to welcome the arrival of the New Year with peace, stability, and prosperity. The peaceful, stable and prosperous situation that we are currently savoring does not come by itself, but due to the endless consolidated efforts and enthusiasm of our multiracial society. Although there was an attempt by a certain group to agitate racial sentiment and disrupt our complex society's solidarity, their effort proved futile. On the other hand, we can clearly see that a stronger spirit of solidarity, understanding, and harmony is prevailing among the people nationwide. This is a very encouraging indication for our country, because such a development will direct the country and its people toward more rapid development.

Ladies and gentlemen! Today marks the end of 1990. The year 1990 will be recorded in the nation's history as a year filled with numerous significant incidents. One of the numerous incidents is the conclusion of the most major and courageous socioeconomic program ever undertaken by any developing nation. Even though some remarks were hurled stating that the National Economic Policy or NEP had failed after its launching some 20 years ago, the NEP, in fact, has achieved a spectacular success compared with other socioeconomic programs implemented elsewhere in the world. The NEP was launched because of a disparity which exists among the country's multiracial society. On the other hand, the socialist and communist ideology seems to advocate their objective of providing a more balanced and just life for the suppressed community in the capitalist world where it is said the wealthy is becoming wealthier while the poor remains poor or is becoming poorer and is being further oppressed. It seems that if a socialist or a communist government owns all the sources of wealth, then such wealth would be equally and fairly distributed among the people. Years have passed and such fair and equal distribution of wealth has yet to be achieved. Contrary to the concept of equal and fair distribution of wealth, the communist and socialist nations have become more backward and poorer compared with nations which advocate open market and free enterprise practices.

In Malaysia, we practice our own system where the government undertakes developing the priority sectors that need immediate attention while other sectors are undertaken by the people. Therefore, we have been successful in distributing wealth among the races even though we have yet to achieve our ultimate goal. What is more significant is that when we distributed wealth, the national economy was not at stake but instead grew more rapidly. As such, we should be more confident in formulating policies and programs and should wisely and skillfully implement such programs.

Ladies and gentlemen! Self-confidence is important because we will definitely face numerous challenges in the 1990's. Not only do we need to achieve our goal of eradicating poverty and equal distribution of wealth, but we also need to maintain our economic growth at a high level to become a developed nation. By God's grace, we feel confident we can plan and achieve our aspirations to provide a more properous and respectable life for our multiracial society in our beloved country. In fact, we are very fortunate. Our ability to further maintain our economic growth and a comfortable life is promising compared to other nations and we must be competitive. Evidently, we will be in a better position to further develop our country. Our citizens cherish stability and peace. We do not resort to rioting in the street when we are faced with problems. We do not solve industrial issues through means which could aggravate the investment climate. We are constantly law-abiding. Currently, our workers have become more skillful and progressive and are capable of competing with their counterparts in developed nations. The people's educational standard remains at a high level. Exposure to debasing foreign cultures has not affected our puritanic values.

The acceptance of a Malaysian corporation concept is ever widening. Good cooperation exists between the government and the private sector. Such cooperation further paved a smoother way for administration and trading which resulted in our national economic growth. Previously, privatization was considered a burden and it brought about a deficit for the country, but currently it has proved to be beneficial to the government and people. The tax burden has been reduced without affecting the national income. The tax reduction has obviously increased people's purchasing power. This is more meaningful than increasing people's income. Increasing people's income will definitely affect their purchasing power because commodity prices will simultaneously rise with increased income. Besides, workers' wages have been increased and the unemployment problem has been further decimated.

There is currently abundant employment, unlike previously when people had to grope for employment. With an ever-increasing demand for workers, wage offers will be definitely attractive. As long as our workers' performance and work ethics remain constantly credible, increased income will surely not result in inflation. Inflation in Malaysia currently stands at only four percent, unlike in certain countries including developed ones where the inflation rate stands between 10 to 2,000 percent. Overcoming inflation through a wage increase could prove disastrous to the economy. On the other hand, wage increase through increased efforts in production is a safer method. It is more important to have increased production or services exchanged for wages instead of encouraging wage increases. There are nations which offer very high attractive wages, but such good wages cannot even purchase commodities which only cost a few hundred ringgit in Malaysia. Then what is the use of acquiring high wages when its face value is low?

Ladies and gentlemen! We need to have an in-depth understanding to face challenges in the 1990's. With blessings from Almighty God and with peace and stability which is currently prevailing in the country, including everyone's willingness to work harder and with more tolerance, we will definitely achieve a better living standard than what we are relishing now. Abundant opportunities exist for our country which is blessed with rich natural resources, a credible work force and with a skilled and trustworthy administration to further embark on rapid advancement.

The government for its part will formulate new policies which could stabilize all the races through equal and just development and a policy to eradicate poverty will be formulated and implemented effectively. We have identified our weaknesses when we implemented the New Econmic Policy during the past 20 years, and we feel confident we can overcome such weaknesses. God willing, we shall overcome the weaknesses without even aggravating national economic growth. The national funds will be constantly, carefully, and skillfully managed so that every sen will benefit everyone. The government will continuously invest in infrastructures needed in the national industrialization process and in other public sectors. In view of the funds needed for administration of the infrastructures and amenities which exceed the government's affordability, including the nation's need for sufficient funds for national development, the private sector will be given more opportunities for developing and managing public amenities. Thus, the government funds could be utilized to subsidize the government administrative cost.

Ladies and gentlemen! It is within our jurisdiction whether or not to rapidly develop our nation and become more progressive. All foundations have been laid in their respective places. If we decide to endeavor upon vital priorities, then we will become a developed nation within a much shorter time required by other developing nations. This is truly a very high aspiration. The developed nations were also once undeveloped. Due to their relentless efforts and willingness to improve on their regression, they have now become developed nations. We do not fall short of any physical aspects compared with these countries. We only need courage to have high aspirations and a stronger will to work harder toward achieving that goal. God willing, we shall be successful.

In such a connection, I urge all Malaysians to make a new resolution to further exert more relentless efforts to make our beloved country more successful—our country which has provided us with so many benefits. With God's blessings, we will achieve all our aspirations and desires to become a more respected and cherished nation.

Finally, I wish all Malaysians a very happy new year and hope that 1991 will bring more success and happiness to all Malaysians. Peace be upon you!

41 SRV Boat People Leave Under UNHCR Plan

BK3112080890 Kuala Lumpur International Service in English 0600 GMT 31 Dec 90

[Text] Forty-one Vietnamese boat people have left Kuala Lumpur for Vietnam under the United Nations High Commissioner for Refugees [UNHCR] voluntary repatriation program. Their departure raised the number of boat people who had gone home under the scheme started last year to 317. UNHCR official Marion Hoffman said the latest group consisted of 35 males and six females who had been in Malaysia between four and 22 months. She said that 40 more boat people would be leaving on Wednesday.

Singapore

Visiting Kuwaiti Delegation Explains 'Plight'

BK2912122190 Singapore Domestic Service in English 1100 GMT 29 Dec 90

[Text] A Kuwaiti friendship delegation is in Singapore on the last leg of its three-week goodwill tour to six Asian countries. It is one of 15 delegations going around the world to explain Kuwait's plight after it was invaded by Iraq last August.

During their three-day stay here, the delegation met the speaker of parliament, Mr. Tan Soo Khoon, several members of parliament, and Muslim groups.

Cambodia

Heng Samrin Conveys Thanks in New Year's Message

BK0201050891 Phnom Penh SPK in English 0228 GMT 2 Jan 91

[Text] Phnom Penh SPK January 1—Heng Samrin, general secretary of the People's Revolutionary Party of Kampuchea Central Committee and president of the State Council of Cambodia, has extended his new year wishes to all the compatriots, combatants, overseas Khmers, and the international and humanitarian oganizations which have made precious contributions to the just cause of the Cambodian people.

President Heng Samrin said in his message that the Cambodian people celebrated the new year in a jubilant atmosphere with pride in the all-round achievements they obtained last year, achievements that are of special significance because they have been made since the withdrawal of all Vietnamese army volunteers from the country in September 1989.

He expressed gratitude and best wishes to the families of fallen combatants who had died for the survival of the Cambodian nation.

President Heng Samrin expressed thanks to all foreign personalities, international organizations, and the international community as a whole for having helped in the quest of a political solution to the Cambodian conflict.

He appealed to those who are still in the enemy ranks to fully realize the reality in Cambodia and rally to the society to rebuild the country. He also urged the other side to relinquish their animosity and violence toward the Cambodian nation and sincerely negotiate a political solution so as to enable the entire people to exercise their right to self-determination through general elections to be sponsored by the United Nations.

This is the best way, the president said, to end the more than 20 years of bloodshed, bring about lasting peace to the homeland, and prevent the recurrence of the genocidal Pol Pot regime.

He said that 1991 would be a year of vital importance for the destiny of the Cambodian nation. To achieve peace and national reconciliation on the basis of defending the national independence, sovereignty and right to self-determination of the Cambodian people and preventing the genocidal Pol Pot regime, the entire Armed Forces and people must unite still more closely under the leadership of the People's Revolutionary Party of Kampuchea, surmount all difficulties and strive to fulfil the political and social tasks set for 1991, he stressed.

He concluded by expressing optimism about the steady progress of the Cambodian revolution and the development of the country despite the continued acts of sabotage of the opposition side.

Heng Samrin Hails Young Pioneers Organization

BK0201052191 Phnom Penh SPK in English 0223 GMT 2 Jan 91

[Text] Phnom Penh SPK January 1—Heng Samrin, president of the Council of State of Cambodia, has extended his best wishes and warmest regards to all Cambodian children on the 11th founding anniversary of the Cambodian Young Pioneers Organization.

President Heng Samrin said in his message: "Over the past 12 years, thanks to the great efforts of the party, the state, the army and the people in national construction and defence, our Angkor motherland has recorded great achievements and remarkable changes in all spheres.

"Following the pullout of all Vietnamese troops from the country more than a year ago, we have done all in our capacity to maintain our national security and win one victory after another over the enemy on the battlefield, thus contributing to the normal advancement of all social activities. At the same time, the goodwill and flexible policy pursued by the State of Cambodia has won support from large sections of the world public and helped raise the prestige of our government on the international arena. Despite enormous difficulties ahead, and the perfidious enemy plots and moves, the Cambodian people are resolved to defeat all enemy attempts to topple the State of Cambodia."

"Along with these all-sided achievements," President Heng Samrin further said, "the state has paid special attention and given good care to the children—the future generation of the country. Many schools have been built or renovated throughout the country with the assistance and contributions of the people and state institutions."

President Heng Samrin hailed the growth of the children organization, particularly their contributions to social activities.

He recommended them to study hard, observe school discipline, and obey their parents so as to become good citizens.

He wished them good health and success in their study.

Heng Samrin Delivers Speech in Takeo Province

BK0101114191 Phnom Penh Domestic Service in Cambodian 0430 GMT 1 Jan 91

[Summary from poor reception] "On the morning of 31 December, a high-ranking delegation of the party, state, and front led by Heng Samrin, general secretary of the Kampuchean People's Revolutionary Party Central Committee and chairman of the State of Cambodia's Council of State, took a pipal tree, a gift from India, to Takeo Province to facilitate practicing the Buddhist faith for the population there."

Also participating in this ceremony were Sar Kheng, member of the party Central Committee Political Bureau, chef de cabinet of the party Central Committee, and chairman of the Central Control Commission; Men Sam-an, member of the party Central Committee Political Bureau and chairman of the Cambodian Federation of Trade Unions; Chhay Than, member of the party Central Committee and finance minister; Lieutenant General Ke Kimyan, member of the party Central Committee and first deputy defense minister; Major General Chay Sangyun, member of the party Central Committee and secretary of the Kampot provincial party committee; Im Chhunlim, member of the party Central Committee and deputy chef de cabinet of the party Central Committee; Major General Sin Seng, alternate member of the party Central Committee and deputy interior minister; Khim Bo, alternate member of the party Central Committee and secretary of the Takeo provincial party committee. About 60,000 people in the province were present at the ceremony.

After Khim Bo welcomed and thanked the high-ranking delegation, Heng Samrin gave a speech.

[Begin Heng Samrin recording] [passage omitted] "Lately, at the talks in Paris, France, after the oral and written interpretation by the deputy UN secretary general of the 26 November draft agreement specifying the non-dissolution of the structure of the two current governments, our party and government have shown another goodwill gesture by accepting the majority of the points in this draft agreement.

"Along with this, to advance the peace process, the party of the State of Cambodia demands continued discussion of other remaining points, such as the military situation during the transitional period and the issue of concrete and effective measures to prevent the genocidal Pol Pot regime from returning. All issues within the sphere of Cambodia's national sovereignty have to be discussed and agreed upon by the Supreme National Council. Every discussion and decision should be based on respect for the UN Charter and the Cambodian people's right to self-determination.

"Our new goodwill gesture has defeated the maneuvers of the other side, which attempts to force us to fully accept a draft agreement favorable to its group without any discussion. In fact, the tripartite group does not have genuine goodwill to solve the conflict and achieve peace for the Cambodian people. This group has been trying to find ways to topple our state authorities for its own benefit and that of its clique. In every negotiating forum, this group has shamelessly put forward demands for us and committed ethical and legal offenses. It has incessantly created obstacles which have stalled and hindered the negotiations.

In words, it shouts about peace or says it is sympathetic to the Cambodian people. But in deeds, when our people were saved from the cruel genocidal Pol Pot regime, this group has never given us any opportunities to let our people live in peace. We have made efforts to build roads, bridges, schools, and hospitals; the other side has destroyed them. This group robs, plunders, and massacres innocent people in villages and communes, fires on people traveling by car and train, or kills people celebrating festivals, and then clamors that it has killed Vietnamese troops instead.

"In the immediate future, our party and government continue to adhere to the goodwill stance to solve the Cambodian problem. We always welcome a UN role in a political solution to the Cambodian problem. The United Nations, however, has to respect the State of Cambodia's independence and sovereignty by correctly abiding by the UN Charter and the right to self-determination of the Cambodian people by maintaining the political and military status quo before general elections. In particular, concrete and clear measures should be taken to prevent the genocidal Pol Pot regime's return.

"Our Cambodia is a legitimate nation, like other nations the world over. Our current state authorities are legitimate and were elected by the people in 1981. It is these state authorities that have defended and served the people's interests for the last nearly 12 years. Therefore, before the establishment of a new government through general elections, one cannot use measures attempting to put Cambodia under UN control. If this is carried out, it would represent a serious violation of the goal and principles of the UN Charter. This would set a dangerous precedent for the whole world. We have to preserve our state authorities firmly to defend the people's lives because the Pol Pot group is still cruel, savage, and barbarous. The Sihanouk and Son Sann groups are still colluding with Pol Pot. There are no forces opposing the Pol Pot group, apart from those of the State of Cambodia."

"I would like to stress to compatriots that while a new government has not yet been established, our current state authorities will remain in force to carry out national daily tasks to ensure and maintain political security, law, order, and daily life of the people. Therefore, compatriots, you should be vigilant and not believe the enemy maneuvers and propaganda on the establishments of the so-called village and commune National Councils to replace our current state authorities. Intitiatives attempting to dissolve the State of Cambodia's state authorities before the elections mean opening the door to the Pol Pot group's return.

"In fact, even weakening our state authorities, let alone dissolving them, would only bring confusion and civil war and create an opportunity for the genocidal Pol Pot group to return through military means.

"In sum, we have successively shown the goodwill of our party and government in negotiations to end the conflict in Cambodia. We always welcome countries that strive to solve the Cambodian problem. But the Cambodian problem cannot be settled without considering Cambodia's sovereignty and the danger of the genocidal Pol Pot group against the Cambodian people. The bitter history of suffering during the three years, eight months, and 20 days under the genocidal Pol Pot regime does not allow us to play with the Cambodian people's lives against the Pol Pot group for the second time." [passage omitted] [end recording]

"Afterward, Comrade General Secretary Heng Samrin and wife and leading cadres of the party, state, front, and Buddhist disciples offered food to 270 monks."

Tie Banh Greets SRV Counterpart on New Year

BK0101133691 Phnom Penh Domestic Service in Cambodian 1200 GMT 1 Jan 90

[New year greetings from Defense Minister Gen. Tie Banh to his SRV counterpart Gen. Le Duc Anh; date not given]

[Text] Beloved Comrade minister: On the 1991 international new year, on behalf of the cadres and combatants of the Cambodian People's Armed Forces and in my own name, I am extremely pleased to extend best wishes to you and your family and, through you, to the cadres and combatants, male and female alike, of the brotherly Vietnamese People's Army. May all of you have the best of health, zealous physical strength, and new, still greater successes in the implementation of the task entrusted by the Vietnamese party and people.

I am firmly convinced that this new year will bring about closer relations of friendship and solidarity and multifarious cooperation between the Cambodian and Vietnamese peoples and Armies and that these relations will remain steadfast in the interests of our two peoples as well as of the three peoples in Indochina and for the cause of peace and social progress in the region and the world.

Comrade minister, please accept my sincere salutations.

Phnom Penh Closes Black Market on Thai Border

BK3012054890 Bangkok BANGKOK POST in English 30 Dec 90 p 3

[Text] Aranyaprathet—The Phnom Penh regime yesterday closed a black market near Poipet, opposite Aranyaprathet, for 10 days while about 5,000 Cambodian traders left for home.

Poipet economic chief Pan Ian ordered the market closed from today until January 9.

The announcement came after Thai provincial authorities agreed to close from today a border crossing at Ban Koke Sabang, 15 km southeast of Aranyaprathet.

Ban Nong Samet in Ta Phraya District has been chosen as the new site of a border crossing to be opened on January 16. Neighbouring areas inside Cambodia are controlled by the Khmer People's National Liberation Front.

Thai authorities are preparing the site and about 800 shelters as shops. Immigration and Customs offices are being built and are expected to be ready by January 10.

As the deadline for closure of the Ban Koke Sabang crossing nears, a large amount of goods has been dumped on the black market and about 5,000 of 40,000 Cambodians settled in the area began their journey home.

Meanwhile, major attacks by the Cambodian resistance forces on several military bases of the Phnom Penh government are expected within a week or so when the regime celebrates its 12th anniversary, said a border military source.

Thai troops are on alert, although the offensive is unlikely to spill across the border, the source said.

Ke Kimyan, Japanese Military Academy Group Meet

BK3012093990 Phnom Penh Domestic Service in Cambodian 1200 GMT 29 Dec 90

[Text] On the morning of 26 December at the 13 October Hotel, Comrade Lt. Gen. Ke Kimyan, member of the party Central Committee and first deputy defense minister of the State of Cambodia, granted an audience to a delegation of the Japanese National Defense Academy led by Sishisuki, academician of the International Institute for World Peace, which was on a fact-finding mission in Cambodia.

On that occasion, Comrade Lt. Gen. Ke Kimyan briefed the guests on the military situation in Cambodia, exposing the perfidious maneuvers carried out by the three reactionary Cambodian groups, which—taking advantage of the complete withdrawal of Vietnamese forces from Cambodia—had painstakingly employed military force to overthrow the State of Cambodia so as to return the genocidal Pol Pot regime to again slaughter the Cambodian people. With continued outside aid, the enemies have always attempted to topple the State of Cambodia by military means, thereby prolonging the destructive and protracted war, as well as the Cambodian people's suffering.

On a political settlement of the Cambodian problem, the comrade clearly underlined the stance and goodwill of the State of Cambodia, which always wants a genuine peace for the Cambodian people. He also refuted any political solution aimed at dismantling the State of Cambodia Government without taking into account the prevention of the return of the genocidal Pol Pot regime. He thanked the Japanese delegation for its fact-finding visit to Cambodia and expressed hope that the team would assist in seeking a just and definitive political settlement for the sake of Cambodia's peace.

Phnom Penh Curfew Delayed on 29, 30, 31 Dec

BK2912075290 Phnom Penh Domestic Service in Cambodian 0430 GMT 29 Dec 90

[Text] The minister attached to the cabinet of the Council of Ministers wishes to announce that, to celebrate the 1991 international new year, the standing committee of the Council of Ministers has decided to delay the curfew throughout Phnom Penh City to 0200 after midnight for three days—29, 30, and 31 December 1990.

The chairman of the people's committee in Phnom Penh City, competent authorities in charge of night patrol duty, and Phnom Penh residents are informed and invited to implement the decision accordingly.

Khmer Rouge's Son Sen Comments on Paris Outcome

BK0201034591 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 1 Jan 91

[Interview with Son Sen, deputy head of the Demoratic Kampuchea faction and commander in chief of the Democratic Kampuchean National Army, by a station correspondent on the outcome of the 21-22 December

1990 Paris meeting between the four Cambodian factions and the Paris international conference cochairmen; date not given—read by announcer]

[Text] Question: We are from the Voice of the National Army of Democratic Kampuchea. Greetings to Your Excellency. Please tell us about the outcome of the Paris meeting.

Answer: The main outcome is this Paris meeting has enabled the process towards ending the Vietnamese war of aggression in Cambodia to make another step forward. This means that the world community has forced the Phnom Penh puppets to again accept the framework document of the permanent five UN Security Council members. They have already been forced to accept it once before, but Vietnam and the puppets have kept rejecting and opposing this document ever since. Now, they are forced to accept it again. At the same time, this Paris meeting decided that a coordinating committee would be convened soon with the participation of 19 countries. Aggressor Vietnam will also be asked to attend the coordinating committee's meeting.

The outcome of the Paris meeting clearly shows that the force of the world supporting the document of the permanent five members is very powerful. Vietnam and the puppets cannot resist it. Vietnam and the puppets are extremely isolated and because of their utter isolation, they are obliged to accept the document once again.

Nevertheless, just a few days later, Vietnam—the arch aggressor—and the puppets—its lackeys—once again rejected and opposed this document. On 27 December, the Hanoi authorities announced that the military question, the disarmament of the Cambodian forces, and the dissolution of Cambodian armies should be settled by the post-election Cambodian government. At the same time, puppets Heng Samrin and Hun Sen voiced opposition to the comprehensive UN role on controlling Cambodia. They also opposed the disarmament and dissolution of the armed forces of warring Cambodian factions besides the aggressor Vietnamese forces. This is the genuine, systematic position of Vietnam and its puppets.

Vietnam and the puppets are opposed to the framework document of the permanent five members in both its letter and spirit. They are afraid that the United Nations, that the UN peacekeeping force, would come and drag all aggressor Vietnamese forces out of Cambodia.

I would like to stress that the current struggle of our Army and resistance forces is a struggle conducted directly against the Vietnamese aggressor forces themselves, against the purely Vietnamese aggressor forces, and against the Vietnamese aggressor forces concealed as the core of the puppet Army. Vietnam has successively sent fresh troops, especially to the Battambang battlefield, the Route 10 battlefield, the Siem Reap battlefield, and the Kompong Thom battalefield. Additional arms and ammunition, too, have been sent in.

Question: What prospects do you foresee for a solution to the Cambodia problem?

Answer: The national resistance forces of the three Cambodian factions and the Cambodian people both inside and outside the country wish to quickly end the Vietnamese war of aggression as soon as possible so that Cambodia can again enjoy peace and independence and so that the Cambodian people can exercise their right to self-determination within the territorial integrity of independent, peaceful, unified, neutral, and nonaligned Cambodia.

We support the framework document of the permanent five members. We support the joint statement of Jakarta. We support the 26 November draft detailed document for implementation. Vietnam and its puppets, on the hand, are opposed to all these documents. They are opposed to the comprehensive role of the United Nations and to the presence of its peacekeeping force. They are opposed to the transitional authority of the United Nations and to the dissolution of the army and government installed by Vietnam to serve its war of aggression. Their opposition has been systematic. They were opposed to it in the past and has continued to oppose it after the 10 September Jakarta meeting. And they remain so now as they are opposed to the comprehensive control of the United Nations and its peacekeeping force. The Vietnamese authorities will try to maintain the puppet regime and puppet Army so that they can conceal their own aggressor forces in Cambodia, carry on their war of aggression in Cambodia, and continue their policy of aggression against Cambodia and its annexation.

The world has clearly seen who supports the document and who are opposed to it. The world has seen that the national resistance forces of the three Cambodian factions headed by Samdech Norodom Sihanouk possess the goodwill to solve the Vietnamese war of aggression in Cambodia as soon as possible on the basis of the permanent five members' document. On the other hand, the world has clearly seen the ugly features of Vietnam and its puppets who are opposed to the document and the trend that urges an early end to the Vietnamese war of aggression in Cambodia on the basis of the permanent five members' document.

But no matter how stubborn Vietnam can be, it cannot always do what it pleases. In fact:

1. Vietnam and its puppets have been exhausted in Cambodia for the past 12 years.

2. Vietnam is also exhausted at home with a bankrupt economy.

3. The Soviet Union and East Europe, who have backed the Vietnamese aggression against Cambodia over the past 12 years, are now facing bankruptcy and collapse. They are experiencing food shortages and are reduced to begging for help all over the world.

4. The world community has been putting firm pressure on Vietnam for the past 12 years. It now has forced Vietnam to accept the document of the permanent five UN Security Council members. The world is not going to let Vietnam sabotage this international document with impunity.

5. The Cambodian people and the Cambodian national resistance forces have been attacking the Vietnamese enemy aggressors and their puppet lackeys for the past 12 years, forcing them to become totally and completely bogged down and exhausted awaiting nothing but their doomsday. We are not going to let them sabotage the document at will. We join hands with the world community in continuing to put pressure on them until they resolutely respect and implement the document, that is, until the United Nations and its peacekeeping force come and drag them out of Cambodia to the last man.

SRV, Phnom Penh Continue To Oppose UN Plan

BK0101105491 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 31 Dec 90

[Station editorial: "The Hanoi Vietnamese Enemy Aggressors and Their Lackey Puppets Are Still Opposing the Framework Document of the Five Permanent Members of the UN Security Council"]

[Text] 1. The Hanoi Vietnamese Foreign Ministry spokesman on 27 December stated that the military issue and the issues of disarming and demobilizing Cambodia's armed forces should be left for a new Cambodian government to solve after elections.

2. The above-mentioned statement of the Vietnamese Foreign Ministry shows that the Hanoi Vietnamese enemy aggressors have not changed their stance on the Cambodian problem. They have continued opposing the framework document of the five permanent members of the UN Security Council [UNSC], the United Nations' role, and a UN peacekeeping force in Cambodia.

3. At the recent meeting between the cochairmen of the Paris International Conference on Cambodia and the four Cambodian parties, the Hanoi Vietnamese enemy aggressors, forced by the world from all directions, ordered their lackey puppets to pretend to accept the the 22 December Paris joint statement and, along with this, to again endorse the framework document of the UNSC permanent members.

But while the ink on the document was still wet, the Hanoi Vietnamese enemy aggressors themselves came out again to openly and directly discard the document.

4. The Vietnamese enemy aggressors have maintained this stance for a long time. In Jakarta on 10 September they ordered their lackey puppets to pretend to accept the document. But after the meeting they ordered their puppets to immediately refute the document. They indirectly opposed the document by rejecting the election of Samdech Norodom Sihanouk as the chairman of the Supreme National Council [SNC]. Later the Vietnamese enemy aggressors and their lackey puppets opposed the document openly and forthrightly—Ngyuen Co Thach [SRV foreign minister], puppet Hun Sen, and other puppets consecutively issued a memorandum on 7 November and a number of other statements directly turning down the basic document of the UNSC permanent members.

5. By all appearances, the Hanoi Vietnamese enemy aggressors and their Phnom Penh lackey puppets' systematic positions have categorically been against the document of the five UNSC permanent members, the 10 September Jakarta joint statement, Resolution 668 of the UNSC, and the 22 November 1990 Paris joint statement.

6. The world has already seen through the systematic opposition of the Hanoi Vietnamese enemy aggressors and their lackey puppets. The peace- and independence-loving forces worldwide, which need to put an end to the Vietnamese war of aggression in Cambodia, have not allowed the Vietnamese enemy aggressors and their puppets to stir up cloudbursts at their will.

The Cambodian people and the Cambodian national resistance forces are longing for peace and independence. We have fought the Vietnamese aggressors and their arch-traitorous puppets for 12 years, bogging them down and causing them to breathe their last gasps. At all costs, we will not allow the Hanoi Vietnamese enemy aggressors and their puppets to act at will. The Cambodian people inside and outside the country will continue to join forces with the world to bring pressure to bear on them until they are forced to scrupulously respect and implement the framework document of the five UNSC permanent members, the 10 September 1990 Jakarta joint statement, and the 22 November 1990 Paris joint statement. The Vietnamese enemy aggressors and their puppets may not dodge or modify the documents, no matter what.

Khmer Rouge Broadcasts 'New Political Slogans'

BK0201041791 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 1 Jan 91

[Text] New political slogans:

First series of new political slogans:

1. The Cambodian nation and all Cambodian people need great national union without splits or bickerings, without white, black, red, or blue, and without trying to tear at each other's throats. The Cambodian nation and people need to be united for permanent peace, independence, territorial integrity, and stability.

2. No more Vietnamese puppet administration in Cambodia! There must be the Supreme National Council with Samdech Norodom Sihanouk as the chairman and

National Councils in all provinces, districts, communes, and villages throughout Cambodia.

3. Let us join hands in the efforts to gradually win mastery of the task of implementing the economic and life-style policy for the rank and file and the general public.

Second series of new political slogans:

1. All must respect the right to self-determination of the Cambodian nation and people.

2. All must respect human rights in Cambodia and must respect and implement the democratic rights and freedoms in Cambodia regardless of status in society.

3. All must respect the rights and freedoms of the Cambodian people in all fields, including rights concerning politics, economy, lifestyle, intellect, conscience, culture, education, indoctrination, and religions and beliefs that every Cambodian has the right to exercise.

[Additional] slogan: Only with the samdech as the chairman of the Supreme National Council can the Supreme National Council be plenipotentiary!

National Councils Set Up in Four Provinces

BK0101015091 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 20 Dec 90

["News from Battambang, Kompong Cham, Siem Reap, and Kompong Thom Provinces"]

[Text] Our people's great united forces in the provinces of Battambang, Kompong Cham, Siem Reap, and Kompong Thom reported that on 5 December 1990, our people's great united forces in Battambang, Kompong Cham, Siem Reap, and Kompong Thom Provinces held separate meetings. The following is the essence of these meetings.
1. The meetings announced the dissolution of the aggressor state authorities of the Vietnamese enemy and Hun Sen and Heng Samrin, Vietnam's puppets and lackeys and traitors to the nation.
2. The meetings announced the reestablishment of National Councils in their provinces.
3. The meetings declared support for the Supreme National Council headed by Samdech Norodom Sihanouk.

4. The meetings announced the implementation of the policy of great national unity not to discriminate against white, black, blue, and red Cambodians and not to quarrel among one another—in other words unite and rally entire national forces in the provinces and throughout the country—to continue the struggle against the Vietnamese enemy aggressors and ringleaders of the traitorous clique of Hun Sen and Heng Samrin, Vietnam's lackeys, to force them to implement all UN documents aimed at solving Vietnam's war of aggression in Cambodia comprehensively and justly.

5. The National Councils of Battambang, Kompong Cham, Siem Reap, and Kompong Thom Provinces announced their support and assistance to the 28 August document of the five permanent members of the UN Security Council [UNSC], the 10 September 1990 Jakarta document, Resolution 668/1990 of the UN Security Council, and the 26 November 1990 detailed document of the Paris conference cochairmen and the five permanent members of the UNSC, which require that Vietnam withdraw all its aggressor troops from Cambodia under genuine supervision of the United Nations and the establishment of the Supreme National Council headed by Samdech Norodom Sihanouk.

The councils denounced the Vietnamese enemy aggressors and Hun Sen and Heng Samrin, puppets, traitors to the nation, and Vietnam's lackeys, who destroy all the above documents to implement the Vietnam-controlled Indochinese federation policy.

The people in these four provinces pledged to take part in all kinds of activities with the National Councils in their provinces. The establishment of National Councils in Battambang, Kompong Cham, Siem Reap, and Kompong Thom Provinces clearly shows that the Vietnamese enemy aggressors and the puppet regime, traitor to the nation, of Hun Sen and Heng Samrin, Vietnam's lackeys, are disintegrating and will completely disintegrate soon.

Movement Set on Establishing National Councils

BK0201064991 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 1 Jan 91

["Article" entitled: "The Movement of Great National Union of the Cambodian People Will Uproot the Hanoi Vietnamese Enemy Aggressors and Will Soon Kick Them All Out of Cambodian Territory"]

[Text] The Hanoi Vietnamese enemy aggressors and their lackeys, the traitorous Hun Sen-Heng Samrin-Chea Sim puppets, are now busy using their savage genocidal law to rob the country of rice, corn, beans, tobacco, rubber, timber, and fish and shipping them all back to Vietnam.

In conducting all kinds of large or small and overt or covert maneuvers, the Hanoi Vietnamese enemy aggressors and their lackeys, the traitorous Hun Sen-Heng Samrin-Chea Sim puppets, are aiming at enabling all types of Vietnamese aggressor forces to continue staying in Cambodia so that the Hanoi Vietnamese enemy aggressors and their lackeys, the traitrous Hun-Sen-Heng Samrin-Chea Sim puppets, can continue robbing our country and people of all national resources. Through this process, they hope to exterminate our Cambodian race and turn Cambodia into a Vietnamese province according to the Vietnamese Communist Indochinese federation strategy of the late Ho Chi Minh.

This is the key cause leading the Hanoi Vietnamese enemy aggressors and their lackeys, the traitorous Hun Sen-Heng Samrin-Chea Sim puppets, sabotage of the 28 August 1990 framework document of the permanent five UN Security Council [UNSC] members, the 10 September 1990 Jakarta joint statement, Document No. 668/90 of the UNSC, and the detailed document of the two Paris conference cochairmen and permanent five UNSC members.

All utterances and actions made by traitorous puppet Hun Sen, lackey of Vietnam, in Paris were the latest example. The remarks made over the past few days by traitorous puppet Heng Samrin, another lackey of Vietnam, were the latest and another example. Let us leave these two dogs with rotting head wounds to their vain barking. The present period is a time for the Cambodian people both inside and outside the country to unite as an immense force of great national union to launch offensive attacks. This is done together with the United Nations and the international community in order to bring pressure to bear on the heads of Hanoi Vietnamese enemy aggressors and their lackeys, the traitorous Hun Sen-Heng Samrin-Chea Sim puppets, forcing them to accept the comprehensive political solution to end the Vietnamese war of aggression in Cambodia in accordance with the above-mentioned major documents. The success of the recent Paris meeting is ample proof.

As for the Cambodian people living in the zone controlled temporarily by the Vietnamese authorities—the direct victims of genocidal crimes committed by the Vietnamese enemy aggressors and their lackeys, the traitorous Hun Sen-Heng Samrin-Chea Sim puppets—they are jointly hitting back at the enemies with the use of the two eliminates and the four builds weapon, the three don'ts and three do's weapon, the three types of weapons, and the weapon of great national union regardless of black, white, red, or blue. They are doing this without bickering, without trying to tear at each other's throat, without stabbing one another in the back, and without trying to attack one another, but by joining all forces to attack, scatter, and dissolve the village, commune, district, provincial, and municipal administrative networks of the Vietnamese enemy aggressors and to replace them with National Councils. Village, commune, district, and provincial National Councils have already been gradually and consecutively established. As a matter of fact, the National Council for Phnom Penh City has already been set up.

The Cambodian people's movement of great national union is gathering speed. It is advancing rapidly until Cambodia recovers independence without any Vietnamese aggressor troops left in its territory. It is advancing until the people are completely freed from all kinds of genocidal crime committed by the Hanoi Vietnamese enemy aggressors and their lackeys, the traitorous Hun Sen-Heng Samrin-Chea Sim puppets.

'Hidden' SRV Elements Uncovered in Koh Kong

BK0101101391 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 31 Dec 90

[Excerpt] With the guidance and directive of National Councils at the village, commune, and municipal levels and through the correct implementation of the great national unity, our people's great united forces in Koh Kong-Kompong Som Province have further developed. Our people's great united forces under the administration of village, commune, and municipal National Councils have carried out activities to destroy the Vietnamese enemy aggressors through every means and also made efforts to uncover and arrest Vietnamese elements who are hiding in villages and communes to maltreat our people.

In fact, on 20 December our people's great united forces in Khleang Leu village, Kompong Som city, arrested two hidden Vietnamese elements in the village. On 14 December, our people's great united forces, under the administration of the National Council of Boeng Trach village in Chrouy Svay commune, Sre Ambel District, Koh Kong Province, arrested a hidden Vietnamese element.

These three hidden Vietnamese elements speak fluent Cambodian; some married Cambodian women and live in villages and communes. They earn their living as ordinary citizens. Others pass themselves off as loggers but at night carry out spying activities, theft, and create insecurity in villages. Their immediate task is to give orders to the puppet administrative staff of Hun Sen, Heng Samrin, and Chea Sim, Vietnam's lackeys, from provincial to village levels. They say in Koh Kong-Kompong Som the majority of Vietnamese elements hide themselves among the people who fell trees for a living; a fair number of other elements are hidden in villages and communes. [passage omitted]

Report on West, South Battambang Battlefields

BK0101100391 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 31 Dec 90

["Report on West and South Battambang Battlefields"]

[Text] 1. Between August and December 1990, the Vietnamese enemies and puppets reinforced their troops, including their artillery and tank units, according to their military plan to attack our national resistance forces and to retake from us liberated zones both in the western and southern regions of Battambang Province and around Route 10 and the town of Pailin in particular.

Their main objective was to fool people and to conduct deceptive diplomatic maneuvers to destroy the blueprint of the UN Security Council [UNSC] and the Jakarta and Paris documents so they can further invade and occupy Cambodia.

The reinforced Vietnamese troops included Divisions 330, 309, and 4 and the newly formed Division 4 bis, while the puppet forces consisted of Divisions 196 and 4. The puppets particularly marshalled the 92d and 93d brigades and provincial, district, and and militia forces from various locations to serve their plan on the battlefields.

2. In the situation where the Vietnamese enemies and their lackey puppets planned to carry out military activities in western and southern Battambang Province and around Route 10, our national resistance forcese continuously fought, routed, and forced them to beat a hasty retreat behind their lines in their operations mounted between October and today.

3. In particular, our national resistance forces on 29 December 1990 attacked, liberated, and occupied the following 11 positions and villages: The positions defending Kamping Puoy and Thnoeng; the positions of (Dei Roluos), O Pong Moan, Peak Sbek, and (Kap Chen) in western Battambang; the positions of Phnum Toch and Phnum Pun adjacent to (Phnum Chak Angkam); and the positions in (Kamping), Andet, and Dong villages along the Sangke River in southern Battambang.

Along with this, our forces fired artillery shells on the Vietnamese enemies and puppets stationed at Banan, Thippadei, Sdau, O Andong, Tuol Krasang, and along the track leading to Leach District, Pursat Province.

4. During the fighting, the Vietnamese enemy forces abandoned the above-mentioned positions and left many bodies on the spot because there were terrified by the counterattack launched by our national resistance forces. As for the Cambodian soldiers, 60 percent of them, taking the opportunity of the fighting between our forces and the Vietnamese enemies and puppets, deserted enemy ranks. The Vietnamese enemies were not able to regroup.

Indonesia

Saudi Delegation Calls for Muslim Support on Gulf

BK0101053191 Jakarta Domestic Service in Indonesian 0000 GMT 1 Jan 91

[Text] A Saudi delegation expressed hopes that Indonesian Muslims will support its country, and called on Indonesia to exercise its influence to get Iraq out of Kuwait. Shaykh Muhammad bin Nasir al-Attaudi, head of the Saudi delegation, told newsmen in Medan that Saudi Arabia did not want war to break out in the Gulf because it would only harm all parties. In fact, Saudi Arabia does not want Iraq as a great nation to march along with Muslims worldwide in a struggle against Israel. [sentence as heard]

President Suharto Gives New Year's Address

BK0101130991 Jakarta Domestic Service in Indonesian 1214 GMT 31 Dec 90

[President Suharto's 31 Dec year-end speech—live or recorded]

[Text] Peace be upon you, fellow countrymen! We will leave 1990 several hours from now and enter the new year of 1991. It has become a tradition everywhere that a new year is expected to bring a new spirit and new hopes. Because of this, I would like to use this opportunity to wish all of you—all Indonesian children, teenagers, youths, and families wherever you are—now a Happy New Year. May 1991 bring progress and prosperity to all of you and the Indonesian nation, too. In accordance witn the prevailing tradition, I ask for your time for a while on the eve of this new year.

On the eve of this new year which will bring new hopes, let us comprehend the significance of and review our experiences as a nation during the year which will end soon. Let us do this with the calmest possible hearts and the clearest possible minds. Later, let us with the wisest possible attitude take the best lesson from these experiences! Let us take the best possible lesson from our successes as well as our difficulties. A valuable lesson can be taken not only from the successes but also from the difficulties. We should use the successes as a strength to move forward. We should take a wise lesson from the difficulties to avoid similar ones in the future. It is very important for us to learn from these experiences. This is true because we are a diversified nation, but more so because we are in the process of becoming a more modern nation and entering an era of advancement.

We live in a world which is undergoing very basic and rapid changes. New dynamism, aspirations, forces, and hopes are emerging in our own society. The diversity and dynamism are in all aspects of our nation's life, be it political, economic, or sociocultural. We felt this dynamism during this year. Most important is how we comprehend and take a pioneering role in the process of these changes so that all the dynamic forces will become a positive prime mover for our common progress instead of becoming opposing forces which will weaken us. This is why I said earlier that all of us should be intelligent and wise enough to take a lesson from our experiences in the outgoing year. Most important is that we preserve unity and cohesiveness as a nation. We give room for differences of opinion in the context of expanding and enriching our vision of nationalism and togetherness. National unity and cohesiveness not only in a political sense but more so because in front of us lie difficult challenges and tasks in national development. There are still many socioeconomic problems that need handling to improve the welfare and skill of our people. We have to expand job opportunities, we have to improve the people's health level, we have to raise the people's income, and we have to multiply and expand education facilities. In short, we must promote the people's quality of life.

Fellow countrymen, we are very thankful that our national life in the political, economic, social, and security fields during the outgoing year are in a very stable and dynamic condition. In the meantime, we witness with deep concern how other nations are facing endless political upheavals, serious economic difficulties, and famines. During the outgoing year, the world situation in general has indeed given great hopes for peace and calm. Rapproachement between the big world powers is continuing and becoming steadier. The arms race is decreasing rapidly. All of this has given hope that all nations and countries can concentrate on development for the welfare of all human beings. Nonetheless, we are very worried over worsening tension in the Middle East. Huge numbers of forces equipped with sophisticated weapons are facing each other there. War can break out at any time and bring destruction and misery. It is our hope that all sides realize what will happen if war breaks out. Although there is little hope and only a few days remaining, it is the responsibility of the leaders of all sides to make efforts for a peaceful settlement. Developments in the Middle East have wide-ranging implications in all directions, including the world economic situation. Depending on developments in this region, oil prices may soar higher or drop to their lowest points. No matter how the crisis will be settled, early symptoms have indicated that the world economy in 1991 will slow down. If the uncertainty drags on, it would lead to a recession. Without our making greater efforts, the situation will affect our non-oil and non-gas exports and hamper investments at home. During 1990 alone, we have seen signs of our non-oil and non-gas exports slowing down. However, this is primarily due to a decline in the export prices of primary commodities, including mining products. Still, the export of our industrial products is generally increasing.

We must not be disheartened by the less encouraging outlook of the world economy. The key for us is to be intelligent enough to steer the direction of our national economy in the face of waves of international developments. We must be intelligenet enough to exploit opportunities and avoid threats. Our economy has continued to enjoy growth during 1990. Our industries continue to expand and become solid. A number of important industries upstream and downstream have started production. All of this shows that the industrialization process has found its initial strength and a stronger foundation. More of our exported industrialization products have entered the international markets, and their export volume continues to grow. This shows great efficiency which is able to create a strong competitiveness in the world markets amidst a tighter competition. The volume of our non-oil and non-gas exports continues to grow compared to that of oil and gas exports. This development is very positive. Thus, our economy has more endurance.

Along with the better export situation, we have also managed to maintain self-sufficiency in rice. This development is very basic because a stable self-sufficiency is the main foundation for our future economic progress and the people's welfare. We have started processing other agricultural produce in an industrial way so that there is a close relationship between agricultural and industrial development. We have managed to lay healthy foundations on state revenue. Non-oil and non-gas revenue from taxes continues to grow, far exceeding revenue from oil and gas. The investment climate is also encouraging. Domestic and foreign investors have a growing interest in investments in the country. The trust of national and foreign private businessmen should be maintained to enable our economy to continue to grow. Only through economic growth will we be able to achieve the people's welfare which all of us have been longing for. Along with the growth, we are continuing efforts to achieve an equal distribution of wealth.

We have also managed to achieve another important task of maintaining economic stability. During the outgoing year, there were months indicating a rising inflation. The government has taken various steps, including tighter management of credit. This policy is temporary in nature and will last until the desired target is met. I would like to call on all sides to regard efforts to control the inflation as a national task which we must tackle together with a full sense of responsibility. We managed to keep the inflation rate at 0.06 percent in December. Thus, the inflation rate stands at 9.53 percent for 1990. As a whole, we see that economic development in 1990 has given us strength and hope to enter 1991 with a relative sense of relief. But, we must not lessen our vigilance, and we must not neglect hard work. Only through this spirit will we be able to maintain growth and expand the equal distribution of wealth. The other prerequisite is the maintenance of dynamic economic, political, and social stability.

Prior to the end of 1990, I would like to report to all people on our condition, Indonesia's demographic condition. This report is based on the results of the comprehensive population census conducted last October. I would like to extend respect and thanks to all of you for your cooperation and willingness in welcoming and providing information to census workers. I would also like to extend similar congratulations to all census workers and the Central Bureau of Statistics. The demographic condition is important for us as this will enable us to better know ourselves as a nation. It is also very important for planning a development program for the people's progress and welfare, and for devising other state policies. Indonesia's demographic condition as of 31 October 1990 is as follows:

Indonesia's population is 179,321,641, consisting of 89,448,235 males and 89,873,406 females. Of this population, 30.93 percent live in cities. As many as 179,194,223 have permanent residences. The rest, totaling 127,418, were registered as homeless people, ship crew members, floating house dwellers, and isolated tribesmen. The average household had 4.5 persons in 1990. This figure represents a decrease from the 1980 figure in which an average household had 4.9 persons. We can draw several important conclusions from the earlier outlook. Our population growth rate is in fact not as high as predicted earlier. The United Nations predicted that Indonesia's population would reach about 182,000,000 in 1990. This shows that the implementation of our family planning program has brought positive results nationally. Another significance is that the number of people who have no permanent residence in our country or who are considered homeless is in fact very small.

The outlook of our economic development in 1990 and that of our demographic condition have convinced all of us that the direction of our development program is correct. The people's welfare has improved. In the coming years, our tasks will be to improve what is not yet good, further improve what is already good, and straigthen out what is not yet straight. We realize that 1991, which will begin soon, will not be an easy year. By working harder, more seriously, and with greater discipline, we believe that the coming year will be a year full of hope. May Almighty God bless all of us! Thank you! Peace be upon you again!

East Timor Governor: Fretilin No Longer Exists

BK0201101691 Jakarta ANTARA in English 0932 GMT 2 Jan 91

[Text] Dili (E. Timor), Jan 2 (OANA-ANTARA)—Fretilin [Revolutionary Front for an Independent East Timor], the trouble makers group in East Timor, is no longer in existence and no one even bothers to come to its rescue now, East Timor Governor Mario Viegas Carrascalao said in a speech to welcome the 1991 new year Monday evening.

It is high time that all East Timorese intensify their efforts to boost solidarity so that development programs can be conducted more smoothly in the province, he said adding that there was no truth in the report that Fretilin would eventually gain victory as it received foreign support.

East Timor, as recognized by other countries, is an integral part of Indonesia now, therefore, the provincial administration, the armed forces (ABRI) members, the church, and the people in general should only concentrate on welfare improvement programs so that the former Portuguese colony could catch up the progress of other Indonesian provinces, he said.

The predominantly Catholic province integrated into Indonesia as the 27th province in 1976, and today it has a population of around 705,000.

In his speech which was broadcast live by the Dili RRI (national radio network), he also expressed his confidence that 1991 would mark the beginning of a one hundred percent normal life in East Timor.

Laos

Editorial Urges 'Glorious Victories' in New Year

BK0201053191 Vientiane Domestic Service in Lao 0000 GMT 1 Jan 91

[Undated PASASON editorial: "May the New Year Bring Glorious Victories"]

[Text] Respected listeners, in 1990 many new changes took place in our country. Our socioeconomic development plan has been fulfilled in many fields. Crop harvest has been productive. Industrial and agricultural production has progressed. Trade and circulation work has developed impressively. Goods were available in abundance. Goods-money relations apparently have been established in all localities in the countryside. The one-price policy has been implemented throughout the country. Though fluctuating slightly, the value of the kip has remained considerably stable. National defense and public security maintenance has been consolidated to ensure security for the multiethnic people to work in peace.

All these victories have been won thanks primarily to the fact that our party's restructuring policy has been realistically pursued and now is becoming the spirit guiding all socioeconomic activities in our country.

The international situation has also changed rapidly and confusingly in 1990, affecting the revolutionary cause positively and negatively. Nevertheless, peace has been maintained and further consolidated. Confrontation has been reduced. The reduction of armed forces has become possible. Nonetheless, the possibility of a war breaking out remains. The Persian Gulf crisis is dangerous and may lead soon to a most destructive war if Iraq and the United States fail to mutually resolve the conflict.

In 1990, socialist countries in the East made great efforts in pursuing their respective open-door and restructuring policies to free themselves from economic and social difficulties. They have been considerably fruitful in this regard. The socialist countries in Eastern Europe, especially the USSR, have continued to earnestly implement their reforms. But they have encountered numerous difficulties and progress has been slow. Their social, economic, and political developments are looking unprecedentedly critical. This undesirable situation is a painful experience not only for the Soviet people who are our friends, but for the Lao people as well.

Even though there have been numerous difficulties in 1990 due to changes in the international situation, the national liberation movement is still an epochal trend. The struggle through this form and other forms by peoples in many countries against foreign interference and aggression for peace, national independence, democracy, and social progress has remained active.

In the past year, even though the international situation has changed confusingly, our people, under the party's leadership, continue to adhere to their principle goals. They have continued implementing the restructuring policy comprehensively, aimed at improving the quality of their social life, changing the country, freeing our country from difficulties and backwardness and allowing it to gradually develop. But in developing our country in various stages, we continue to meet numerous obstacles. Therefore, it calls for all our people to enter the new year of 1991 with confidence.

First of all, we must be confident in the party's leadership. Our party's restructuring policy is correct. We possess natural resources, labor, capital, and sound technology and have many friends near and far who will give us sincere sympathy, support, and assistance. These are all capital and favorable conditions enabling our people to take the country along the development path stage by stage. The question in achieving this goal is how we are going to combine our objective capabilities with epochal strength. To triumphantly combine these two factors, we must unite and cooperate with one another in implementing the party's restructuring policy thoroughly by transforming each policy aspect into details and actual deeds. This is so that they can be applied to convert our natural resources into goods to serve the people's living conditions, thus making everyone prosperous, the country strong, and all people happy and united.

Let us continue implementing the restructuring policy and paying attention to carrying out the national defense and public security maintenance among the masses.

May development work be earnestly carried out everywhere in our country.

May our people win glorious victories in the new year!

Foreign Minister Receives New Soviet Ambassador

BK0201114391 Vientiane KPL in English 0914 GMT 2 Jan 91

[Text] Vientiane, January 2 (KPL)—Phoun Sipaseut, vice chairman of the Council of Ministers, minister for foreign affairs of the Lao PDR [People's Democratic Republic] recently received here Rudov Georgiy Alekseyevich, new ambassador of the Soviet Union to Laos.

Mr. Georgiy Alekseyevich on December 26 presented his credentials to the Lao acting President Phoumi Vongvichit.

Talking with the ambassador on the occasion, the Lao foreign minister expressed hope that Lao-Soviet ties of friendship and cooperation would be further strengthened.

Pathet Lao Forces Bombard Border With Thailand

BK0201064391 Bangkok BANGKOK POST in English 2 Jan 91 p 1

[Text] Ethnic Hmong from Laos and other tribal groups there may flood into the Thai border area of Nan or Loei provinces in the near future as their villages are being bombarded by Pathet Lao forces, rebel sources from Laos said yesterday.

Ye Song, a rebel chief from Laos said Hmong villages and tribal Lao Theng villages in the areas of Xieng Khouang Province, northern Laos, which are under the influence of the rebel group, have been bombarded by air strikes and artillery in recent weeks.

Hundreds of villagers had fled their homes and taken refuge at mountain hideouts.

It is possible that they might flee to Thailand as hundreds of them disappear in the jungles, he said.

The armed resistance forces, however, will remain in Laos and continue to fight, but the ordinary people have to leave, otherwise they will get killed, said Ye Song.

Asked about the plantation of opium poppies in Laos, especially by Hmong tribesmen in highland areas, Ye Song said that it is still a tradition of some Hmong families who plant poppies.

They are encouraged to plant poppies by Hmong from Thailand who offer to buy the raw opium from them, he said.

It is believed that the Thai Hmong have been acting as "gobetweens" for drug traffickers from Thailand.

Opium addiction is still a problem among Hmong tribesmen but many addicts were cured when they submitted to herbal drug treatment at Wat Thamkrabok in Saraburi Province, said Ye Song.

Ex-Rebel Exposes 'Misled' People's 'Bitter Life'

BK3112121590 Vientiane Domestic Service in Lao 0000 GMT 28 Dec 90

[Feature: "They Are Fed Up With Deception"]

[Text] Thao Khian, 45, former colonel of the exiled Lao reactionary group with 49 close subordinates, children, and their family members escaped from bad elements and surrendered to the local administration and authorities of Bolikhamsai Province. They did this after suffering in the jungles, and serving the deceitful schemes of the imperialists and exiled Lao reactionaries for many years.

On 11 December 1990, members of the administrative committee and several cadres of Bolikhamsai Province, with relief aid including clothing, rice, household utensils, and other necessary items, flew on board a B-8 plane from Pakse to Chomthong village in Viangthong District, where the misled people were staying after returning to the homeland. In his talk with the fraternal misled returnees during the aid donation ceremony, Bouakeo Sai-gnavong, member of the Bolikhamsai provincial administration, warmly welcomed the returnees. He pledged that the provincial administration will help them earn a living, normalize and improve their lives in accordance with the national concord policy as adopted by our party and government.

Afterwards, Thao Khian, the former exiled Lao reactionary colonel, on behalf of the fraternal returnees and their families, expressed profound gratitude to the revolutionary administration and compatriots for the welcome. He reiterated that the line and policy of the party and state of the Lao People's Democratic Republic are correct and just. This is seen through the implementation of the lofty humanitarian policy of leniency towards them, and also in providing relief aid to enable them to live normal lives. Thao Khian also said that before the liberation, he was a first lieutenant serving in the Vang Pao special forces. After the establishment of the new system or over 15 years ago, pressured, deceived, and misled by the imperialists and exiled Lao reactionaries, his relatives and him fled to the jungles and carried out activities in many troubled areas. They lived as nomads, moving from place to place without cultivating rice or other crops. As they were starving and had no rice, they had to eat jungle fruits for their meals. When they fell sick they had no medicine. Because his children did not have schools to go to, they became pitifully illiterate. It was a very bitter life.

After returning to the nation, Thao Khian, like all other fraternal Lao people, expressed his determination that he will no longer be misled by the deceitful propaganda of bad elements. He said he is ready to train and temper himself to become a good citizen. On this occasion, Thao Khian also called on all fraternal misled people, including Lao Loum and Hmong tribesmen, who are still carrying out activities for the bad elements, opposing the revolution and the new system and thus troubling themselves, to quickly abandon their ways and return to the country. The party and government are ready to grant leniency to anyone who wants to return home and be a good citizen.

Philippines

NPA Rebels Violate New Year's Cease-Fire

Kill Policeman

HK0101043091 Hong Kong AFP in English 0420 GMT 1 Jan 91

[Text] Manila, Jan 1 (AFP)—Communist guerrillas in the northern Philippines violated a New Year's eve truce as they looted a government hospital and killed a policeman, local security officials said Tuesday.

Guerrillas of the communist New People's Army (NPA) looted a government hospital of medical equipment and medicines in the northern town of Bangued Monday, the officials said.

They then ambushed three policemen, killing one of them, they added.

The NPA and the government separately declared a 72 hour cease-fire beginning December 31. There were no reported incidents during a similar Christmas truce last week.

The government and the NPA have halted hostilities over the holiday period since 1986.

Attack Soldiers in Camarines Norte

HK0201110591 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 2 Jan 91

[By Benjie de Galicia]

[Text] About 130 New People's Army [NPA] rebels attacked a detachment of the 242d PC [Philippine Constabulary] company in barangay San Felipe, Bassud, Camarines Norte. According to a report received by the Southern Luzon Command [Solcom], the NPA violated the ceasefire agreement when it raided the PC detachment. Four soldiers, whose identities were not given, were killed the report stated. The government troops tried to repel the rebels back into the mountains. It is reported that the NPA rebels in the Bicol region do not believe in the cease-fire, which was earlier offered by the government to the NPA rebels.

Senate Head Urges Convening of Security Council

HK0201103991 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 2 Jan 90

[By Cesar Chavez]

[Text] Senate President Jovito Salonga urged President Corazon Aquino to convene the National Security Council to discuss a plan to be implemented in the event that the feared war in the Middle East erupts on 15 January. The United Nations Security Council gave Iraq until 15 January to leave Kuwait or face military force. Salonga stressed that a contingency plan is needed so that the government has a clear direction in resolving an expected crisis in the event that war breaks out. He said the country will definitely run short of oil supplies if war erupts in the Middle East because supplies from the Arab countries, which will surely be affected by the war, will stop.

Earlier, National Security Adviser Rafael Ileto announced that the government has a contingency plan in place in relation to food and oil supplies if war breaks out in the Middle East. Senator Wigberto Tanada requested that a National Security Council meeting be held as soon as possible because the people are not aware of any government contingency plan.

Aquino Sets Meeting for 11 Jan

HK0201104791 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 2 Jan 91

[By Dick Sinchongco]

[Text] President Corazon Aquino will convene the National Security Council [NSC] 11 January. At the same time, it was learned from Malacanang that the president is expected to call for a special Congress session to discuss the proposed emergency powers for her, before the National Security Council meets. According to National Security Adviser Rafael Ileto, the NSC meeting will be expanded to include the majority and minority floor leaders of both houses of Congress, one of whom is Senator Enrile. Aside from him, Vice President Salvador Laurel will also attend as a permanent NSC member.

On the proposal for emergency powers, Executive Secretary Oscar Orbos, who submitted the draft bill in Congress, said the special session will be held before the NSC convenes. Orbos said the government is prepared and that the move has to be made before some interested groups launch any attempt against the government. Orbos stressed that there is no need to wait for a shooting war to erupt in the Middle East. The proposal to give President Aquino emergency powers has to be discussed now, he added.

Iraq has been given until 15 January to leave Kuwait. The Congress will resume its normal sessions on 14 January.

Aquino Seeks Approval for 'Emergency Powers'

HK0201102591 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 2 Jan 91

[Text] President Aquino has consulted Congress regarding a proposal to grant her emergency powers. Here is Dick Sinchongco with the details:

[Begin recording] Malacanang has acted on the proposal to grant President Aquino emergency powers to respond to the grave effects of the Middle East crisis on the country. The president has directed Executive Secretary Oscar Orbos to consult the leadership of the lower house of Congress about the proposal. She said Orbos met with House Speaker Ramon Mitra Jr and other congressmen in a caucus this morning. Orbos, however, has not reported and it is not yet known whether the proposal was accepted or rejected by the congressmen. Business sector leaders proposed granting emergency powers to the president similar to those Congress granted her after the December 1989 coup attempt. [end recording]

Meanwhile, the Congress is prepared to grant President Corazon Aquino emergency powers in the event war erupts in the Middle East. Jennifer Postigo reports:

[Begin recording] The lower house leadership announced it is prepared to grant President Aquino emergency powers, including the power to declare a state of national emergency, if a shooting war occurs in the Middle East. In an emergency caucus this morning in the speaker's conference room attended by congressmen who are chairmen of various committees, including opposition members and Executive Secretary Oscar Orbos, Speaker Ramon Mitra Jr said the government can rely on the Congress' full support in relation to the Gulf crisis. Mitra added that the lower house is ready to pass a proposal by Congressman Rolando Andaya, chairman of the House Appropriateions Committee, seeking a P [Philippine peso] 10 milion standby fund which the government can use to resolve the country's problems during the Gulf crisis. Mitra said he has created a 24-hour House Task Force headed by Sectoral Representative Art Borjal. The task force will be under the office of the majority floor leader.

Meanwhile, Executive Secretary Orbos said that a national contingency plan has already been agreed in relation to the imminent war in the Middle East. However, he said the plan would be polished during a multisectoral meeting at the Asian Institute of Management in Makati on Friday and Saturday and all sectors of society are urged to attend. Orbos stressed any plan cannot be effective without the participation of all sectors of society. [end recording]

Army Chief Warns of Coup in Event of Gulf War

HK0201120791 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 1100 GMT 2 Jan 91

[Text] New Army chief Brigadier General Lisandro Abadia warned that rightist elements may launch a coup d'etat in the event of war in the Gulf. According to Abadia, the chances are great that rebel soldiers will exploit the country's critical situation if war breaks out in the Middle East. The leftist forces may also launch attacks to finally overthrow the Aquino government.

Meanwhile, Defense Secretary Fidel Ramos agreed that rightist and leftist elements may take advantage of a Middle East war. In this respect, Army chief Abadia warned of the possible attacks, adding that the leftist rebels are also on standby to exploit the situation and topple the present administration. Ramos called on the people to respond calmly to any effect caused in the country by the imminent Middle East war. He appealed to the public to be watchful against the forces wishing to overthrow and dismantle the present administration.

Aquino Appeals for Prayers To Stop Gulf Crisis

HK0201052791 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 2 Jan 90

[Text] President Corazon Aquino reiterated the government's support to the UN Security Council regarding the imminent war in the Gulf region. She made the statement as she appealed to the people to cooperate and unite in prayer to God to put a stop to the present crisis in the Middle East. She made the appeal after attending a mass at the Our Lady of Peace shrine on Epifanio de los Santos Avenue. Manila Archbishop Jaime Cardinal Sin officiated at the mass.

Ramos Says Gulf Contingency Plan Ready

HK0201105991 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 2 Jan 91

[Text] Defense Secretary Fidel Ramos said the government has a contingency plan to implement should war break out in the Middle East. At a press conference, Ramos stated that the government knows that the oil and commodities price may rise if war erupts in the Gulf. According to him, the military is drafting measures to enable response to any effect the Gulf war may cause to the country's stability. Ramos said the military will focus their attention on any disruption which the antigovernment forces may launch if a shooting war breaks out in the Gulf. Armed Forces Chief of Staff General Renato de Villa said the government's plan will be reviewed at the multisectoral meeting.

De Villa Notes Success of Counterinsurgency Drive

Communist Leaders Arrested

HK0201052591 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 2 Jan 91

[Text] The Armed Forces of the Philippines [AFP] today announced that their counterinsurgency program Operation Dragnet was a success. AFP Chief of Staff General Renato de Villa reported that 1,680 rebels were killed by the military last year, and 30 communist party leaders were arrested in different Metro Manila safehouses. He added that with Operation Dragnet the New People's Army will continue to lose in countryside clashes.

Military Ready for Rebel Soldiers

HK0201110991 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 2 Jan 90

[Text] Outgoing Chief of Staff General Renato de Villa assured that among the measures the military will undertake are preparation for the possible move by rebel soldiers to exploit the Middle East crisis. Here is the chief of staff's statement:

[Begin De Villa recording in English, in progress] ...in the new environment that would be favoring agitation and propaganda which is expected to be undertaken by antigovernment forces. So here, the media will play a very crucial role, especially about informing the people what is really the situation. [end recording]

Ramos Sees End of 'Communist Insurgency' by 1992

HK0201031391 Manila MANILA BULLETIN in English 2 Jan 91 pp 1, 8

[By Aris R. Ilagan]

[Text] Oroqueta City—Defense Secretary Fidel V. Ramos has expressed optimism that the government will eliminate communist insurgency in the country in time for the 1992 deadline set by President Aquino.

Ramos aired his hope as he cited the gains of the "total approach strategy" being applied by the national leadership to solve the insurgency problem.

"Just like in a chess game, we do not need to eliminate all the pieces to win the game," he said.

Ramos said the peace and order problem is no longer the main concern of the government.

"What we have focused on now is community development aimed at improving the economic condition of our people and eradicating the root causes of insurgency," he added.

In a dialogue with Ramos, officials of Misamis Occidental said that the "total approach strategy" against communist insurgency is indeed gaining ground in the province, noting the big number of New People's Army (NPA) surrenderees.

The "total apoproach strategy" calls for the clearing of a communist-infiltrated barangays of NPA, holding of the area clean of rebels by mobile forces of the PC-INP [Philippine Constabulary-Integrated National Police], consolidation of the area by bringing back displaced residents, and implementation of development plan.

Misamis Occidental Vice Gov. Florencio Garcia said that the strength of the Communist Party of the Philippines (CPP) and NPA in the province is fast decreasing because of the government's concern for countryside development.

Ruben Caliso, tagged by the military as second secretary of the CPP-NPA Western Visayas Revolutionary Command who surrendered on Christmas Day, was presented to Ramos during the meeting.

Brig. Gen. Gumercindo Yap, Southern Command (Southcom) chief, said that in the fourth quarter of 1990 alone, 381 CPP members, 145 armed regulars, 5,291 mass activists, and 17,482 mass supporters surrendered to military authorities in Zamboanga del Sur, Misamis Occidental, and Zamboanga del Norte.

Circular on Military, Police Procedure Issued

HK0201030891 Manila THE MANILA CHRONICLE in English 2 Jan 91 pp 1, 7

[Text] Defense Secretary Fidel V. Ramos and Interior and Local Government Secretary Luis Santos yesterday signed a joint circular to beef up the military and police drive against insurgency and criminality.

The joint circular authorizes the AFP [Armed Forces of the Philippines] chief of staff and the director-general of the police forces to "prescribe a joint standing operating procedure to insure the smooth implementation of certain operational and administrative aspects of the Philippine National Police [PNP] law during the period of transition."

The circular was issued "to preserve the complementary relationship between the two departments" pending the issuance of PNP guidelines.

Under the law, all internal security duties would be handled by the PNP while the armed forces would return to its traditional role of preserving external security.

The military however is tied down fighting a communist insurgency, a secessionist force in the south and rightwing groups that have attempted to overthrow President Aquino.

The law gives the armed forces at least two years during the transition period to take a lead role in the counterinsurgency campaign. But it would pass the responsibility of containing internal armed threats to the police forces after the transition period ended.

The PNP officially began operations yesterday. The constabulary, which used to be part of the armed forces, has been absorbed by the organization.

The circular signed by the two Cabinet officials is expected to lead to improved coordination and cooperation between the military and the police forces engaged in the insurgency drive. "It is actually maintaining the status quo in fighting the insurgency," a senior army official said.

The functions and responsibilities of the military and the police forces will be delineated by the PNP guidelines which are expected to be finalized soon.

"The PC [Philippine Constabulary] is no longer under the military but will remain under military direction when it comes to the counter-insurgency campaign," another army officer said. "In fact, the PC is the lead force against the communist rebels in some areas like northern Negros."

Ramos has assured the police forces of full military support in their expanded security tasks.

The separation of the PC from the military does not necessarily mean a loss in the military's capability to fight its enemies but a more coordinated program to combat insurgency, Ramos said.

Rightist Rebel Leader Calzado Arrested in Manila

HK0101103091 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 1 Jan 90

[Text] A top military rebel leader was arrested last night at the vicinity of Paco Park in the city of Manila. Air Force intelligence agents arrested former Lieutenant Colonel Rodolfo Calzado at about 0230 [1830 GMT] in the morning. Calzado was with his live-in partner Rebecca Jayme and their child when he was cornered. Calzado is believed to have led the attack on Sangley Air Station in Cavite during the August 1987 coup attempt led by renegade Colonel Gregorio Gringo Honasan. In an interview with Restie de Quiros of Unit 8, Major Alex Teves of the Air Force Public Information Office with more details [sentence as heard]:

[Begin recording] Colonel Calzado, former finance officer of the Marcos loyalists during the 1987 coup attempt, was one of the brains behind the raid on Basa Air Base, where others were also captured including Captain Ordonez. [end recording]

Called 'Die-Hard' Marcos Supporter

HK0101072691 Hong Kong AFP in English 0724 GMT 1 Jan 91

[Text] Manila, Jan 1 (AFP)—A former Philippine Air Force (PAF) officer convicted of involvement in a rightist military coup attempt in 1987 was recaptured in this city Tuesday, military spokesmen said here.

Ex-Lieutenant Colonel Rodolfo Calzado, who carries a 500,000 peso (17,800 dollar) reward on his head, was captured in a private house before dawn.

Mr. Calzado was linked to the foiled attempt by rightist renegades to sabotage PAF jets at a base north of here last month, PAF officials said.

He had previously taken part in a military coup attempt in January 1987 and was captured after it was quashed.

A military court sentenced him to 12 years hard labor for his involvement in the coup try but he escaped in February 1989 when he was let out supposedly to visit a sick child.

Mr. Calzado has been identified as one of the die-hard supporters of the late deposed president Ferdinand Marcos, who are among several military factions seeking to topple the government of President Corazon Aquino.

The top leaders of the plotters are still at large and threatening to mount another coup attempt against Mrs. Aquino.

Meanwhile, Army chief General Guillermo Flores ordered the demotion of 128 members of the elite Scout Rangers for their involvement in the bloody failed coup attempt in December 1989, an Army statement said here Tuesday.

The Rangers will also forfeit half their pay for two months, the statement said.

This move is without prejudice to a continuing investigation of the soldiers who took part in the latest and bloodiest of the failed rightist takeovers.

Military courts have yet to convict any soldier for involvement in the December 1989 coup, which claimed over 119 lives and almost toppled the Aquino government.

NDF Cites Topics for Next Peace Dialogue

HK3112103590 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 31 Dec 90

[Text] The National Democratic Front [NDF] is still prepared to hold a peace dialogue with the government. This was the NDF's message issued by Luis Jalandoni during the 22d anniversary of the Communist Party of the Philippines [CPP], which was aired over Radio Sierra Madre, the CPP-New People's Army [NPA] official radio station located on a vacant FM band frequency. The statement said the peace talks, despite having been suspended, achieved some objectives. Luis Jalandoni said among the objectives achieved was the respect for human rights, the lack of which had led to civilian casualties. He added that possible topics for the next peace talks are land reform, the military bases, and the foreign debt issue. Here is the statement by Luis Jalandoni, NDF's vice chairman for international affairs:

[Begin recording in English] The other objective which the NDF keeps in mind, but is much more difficult to achieve, would be a comprehensive political settlement addressing the fundamental issues of the Filipino people and Philippine society such as land reform, the U.S. bases, the external debt, and to be able to resolve this and come to a definitive end to the hostilities. This is much more difficult to achieve. Besides this, we believe that in addition to the bilateral talks between the government of the Republic of the Philippines and the NDF, the peace process could develop a national dialogue, even a national concensus and even the possibility of a national binding agreement of some fundamental issues, for example the U.S. bases. [end recording]

Meanwhile, Jalandoni added that the NPA members would not lay down their arms in the event that peace talks are held, unless they are assured that some of their demands are met.

Condition for Talks Rejected

HK3112044390 Manila DWIZ Radio News 882 in Tagalog 0400 GMT 31 Dec 90

[Text] The government strongly opposed the National Democratic Front's [NDF] proposal to release six detained communist leaders as condition to hold peace talks. Defense Secretray Fidel Ramos said the NDF demand is too much. The NDF international representative, Luis Jalandoni, requested the government to release the six detained communist rebels including Satur Ocampo and Carolina Malay Ocampo before the peace talks. Ramos added that this condition is impossible.

Thailand

Envoy Cites Kuwaiti Leaders on Iraqi Pullout

BK0201010591 Bangkok THE NATION in English 2 Jan 91 pp A1, A2

[By Korkhet Chanthaloetluck]

[Text] Riyadh, Saudi Arabia—A senior Thai Foreign Ministry official on Monday quoted Kuwaiti leaders as speculating that Iraq may begin withdrawing its forces from Kuwait before Jan 13 but would leave behind troops guarding key oil fields and the Iraqi-Kuwaiti border.

Kopsak Chutikun, the ministry's ambassador-at-large, did not say whether it would be a genuine withdrawal or just a ploy to split the anti-Iraq alliance.

Kopsak said he was given the information while accompanying Foreign Minister Athit Urairat to a meeting with the Amir of Kuwait, Jabir al-Ahmad al-jabir al-Sabah at a hotel in Taif, the seat of the Kuwaiti government-in-exile on Monday.

The information corresponds to an analysis by a Chinese military expert which said President Saddam Husayn could take "drastic steps" before Jan 15—the deadline set by the UN Security Council for Iraqi troops to leave Kuwait—that would include a gradual withdrawal of Iraqi forces from the occupied emirate.

Kopsak said the same Kuwaiti officials also told him that before Jan 15, they would launch psychological warfare against Iraq by offering cash rewards to Iraqi troops in Kuwait who defect. "They expect many Iraqi soldiers, including some with the rank of general, to defect," the ambassador said.

He also quoted them as speculating that some disgruntled military leaders in Iraq might stage a coup against Saddam Husayn before Jan 15.

He said the Kuwaitis believed that any agreement to solve the Gulf crisis peacefully must come by either Jan 12 or 13. "If no agreement is reached by then, war is inevitable," the ambassador said.

In his meeting with the amir of Kuwait, Kopsak said Foreign Minister Athit stressed Thailand's full support for the UN resolution authorizing the use of force against Iraq if it fails to withdraw its forces from Kuwait by Jan 15.

Athit, who is on a three-day visit to Saudi Arabia, also told the amir that there are about 800 soldiers of Thai descent among the American forces assembled in Saudi Arabia for a possible war with Iraq.

He said Thailand also offered to send teams of medical experts and air force technicians to assist Saudi Arabia in the event of a war.

Kopsak quoted the Kuwaiti leader as expressing his appreciation for Thailand's stand on the crisis, describing it as "just and bold."

Defending Thailand's stand, Athit told reporters on Monday that it was very important for Thailand to demonstrate its support for Saudi Arabia for its own long-term interest.

"We must be bold enough to do what we think is right for the interest of our country," he said. And whatever the consequence is, I will take the sole responsibility."

The foreign minister, who left for Dubayy yesterday, said Prime Minister Chatchai Chunhawan had been informed of the offer to provide medical and technical assistance to the Saudi air force. "I will formally submit the proposal to the Cabinet as soon as I return to Bangkok," Athit said.

In his meeting with the Kuwaiti amir, Athit also proposed economic cooperation between members of ASEAN countries and the Gulf Cooperation Council (GCC). Athit on Sunday also met with the GCC secretary general to discuss the proposal.

Athit suggested that one area of cooperation might be the setting up of skilled-labour training by Gulf states in Thailand so that Thai workers would acquire the skills needed for their jobs in the Middle East.

The foreign minister said his visit has helped improve relations between Thailand and Saudi Arabia which turned sour after the murder of three Saudi Embassy officials in Bangkok last February.

One indication, according to Athit, is that the Saudi authorities appear ready to extend re-entry visas to Thai workers who want to return home because of the war.

Athit said though Saudi Arabia has yet to formally agree to extending the re-entry visas for Thai workers, he was confident it would do so. He quoted Saudi Foreign Minister Prince Sa'ud al-Faysal as saying that Thai-Saudi relations have greatly improved, which he said he took as a sign that Saudi Arabia was ready to cooperate more closely with Thailand.

Athit Reports Mideast Visit, Evacuation Budget

BK0201075391 Bangkok Domestic Service in Thai 0530 GMT 2 Jan 91

[Text] At Government House this morning, Foreign Minister Athit Urairat briefed reporters on the results of his visit to Saudi Arabia and the Middle East.

He said he met with Saudi Arabia's foreign minister and Kuwait's amir and cabinet to tell them of Thailand's stand of not neglecting friends who are facing difficult times, and that every Thai is like an ambassador of friendship.

Apart from this, he said he also discussed with his Saudi Arabian counterpart the possibility of solving the problem of visa issuance for Thais. The problem is expected to be solved soon.

On the safety of Thai workers, he reported that the workers are being well cared for. Various villages coordination centers have been set up to keep in close contact with the Thai Embassy to facilitate assistance and information dissemination to Thai workers. Presently, all Thai workers have been informed of the evacuation plan, said Athit.

The foreign minister went on to say that he will propose the evacuation details and guidelines to the Cabinet today. In preparation of the evacuation, a budget of 80 million baht has been proposed for expenses such as vehicles and renting of premises. The situation will be monitored closely so that the plan can be worked out completely before 15 January, he concluded.

Plan Developed for Gulf Aid, Repatriation

BK0101010291 Bangkok THE NATION in English 1 Jan 91 p A1, A2

[By Korkhet Chanthaloetlak, Sorayut Suthatsanachinda, and Charoenlak Phetpradap]

[Text] Thai authorities spent New Year's Day preparing to repatriate Thai workers from Middle East countries in anticipation of war breaking out in the Persian Gulf as the UN's Jan 15 deadline for Iraq to withdraw its troops from occupied Kuwait draws near.

Deputy Interior Minister Wathana Atsawahem, who is in charge of labour affairs, plans to fly to Saudi Arabia on Jan 5 for a five-day visit to discuss an evacuation plan with representatives of Arab countries. Foreign Minister Athit Urairat, meanwhile, is meeting authorities in Saudi Arabia over the evacuation plan.

Watthana said his major concern is that Iraqi troops might hold Thai nationals hostage if a war erupts.

He said yesterday that he is scheduled to leave for Saudi Arabia on Jan 5 to examine the evacuation routes planned for the Thais and prepare for other areas of assistance including ways to supply food to the workers during repatriation.

Watthana said he may remain in the Middle East to supervise the evacuation until it is securely implemented.

The evacuation plan has already been worked out in details and may cost the government much less than the initially estimated figure of Bt5-6 billion, he added.

As part of the plan, Thailand has agreed to send a large medical team to Saudi Arabia to help Thai workers fleeing from war zones and another team of technicians to help maintain the American-made F-5 jet fighters in the Saudi air force.

Foreign Minister Athit told reporters in Riyadh on Saturday he will ask the Cabinet for approval for the sending of the teams as soon as he returns to Bangkok. He said the teams should be ready to go to Saudi Arabia by Jan 20.

There are more than 2,000 Thai workers in Iraq, Kuwait, Israel and Jordan who will be evacuated to safety in the event of a war. More than 80,000 of the Thais in Saudi Arabia may also have to be all relocated to safe sites.

Athit yesterday travelled to Taif near Jiddah to meet Thai workers at two major camps to brief them on the evacuation plan and hear their complaints about general problems they face.

He told the workers not to panic if war breaks out but be prepared for evacuation if necesssary. Athit said the government had already worked out the evacuation plan for them.

The minister also met the head of the Kuwaiti government-in-exile Jabir al-Ahmad al-Jabir al-Sabah and representatives of the Gulf Cooperation Council in Jiddah yesterday to discuss the Gulf situation and economic cooperation. He told the Kuwaiti leader that the Thai Government was in full support of his government-in-exile.

The government's joint committee in charge of repatriating Thai workers in the Middle East saw that it was unnecessary to fly Thais working in Saudi Arabia out of the country immediately.

Of about 80,000 Thais in Saudi Arabia, some 55,000 working in areas near the Kuwaiti and Iraqi borders will be evacuated southwards to Jiddah, Riyadh, Al Kharj and Al Hufuf islands.

If the war is prolonged, the workers in Saudi Arabia will be moved farther south to neighbouring countries, such as the United Arab Emirates, before being sent back to Thailand, according to the evacuation plan.

For workers in Iraq, Kuwait, Jordan and Israel, Thai authorities will try to fly them home immediately after it is ascertained that the war is unavoidable.

If Thai planes cannot land in these countries to pick up the workers there, they would be evacuated to neighbouring countries before being flown home.

In the second case, of about 130 Thais remaining in Iraq, those who are in the northern part of the country will be repatriated about 1,000 kilometres through the Mosul route into Turkey's Ankara.

Thai workers in lower Iraq will be moved into Jordan's Amman before being flown back along with about 200 Thais working in that country.

Evacuation From Saudi Arabia To Start by 10 Jan

BK0201014391 Bangkok BANGKOK POST in English 2 Jan 91 pp 1,2

[By Suraphon Thuan-Ngoen]

[Text] Taif, Saudi Arabia—Thailand will repatriate the first group of Thai residents from Saudi Arabia before January 10 as a precaution against war in the Persian Gulf.

Reliable Thai Foreign Ministry sources said the group to be brought home will comprise mostly family members of Thai diplomats in Saudi Arabia.

Five Thai embassy officials are to start a survey today to find sites for holding camps where Thai workers can be relocated away from danger if war breaks out. Apart from choosing the sites, the officials must arrange transport to the camps.

Thai authorities have tentatively marked Hofuf in south-eastern Saudi Arabia, Riyadh, Al-Kharj and Jeddah as the sites for Thai evacuees.

The Hofuf camp will be capable of accommodating up to 20,000 Thai workers in Saudi Arabia, 5,500 from Bahrain and 2,500 from Qatar.

The group can be moved to the United Arab Emirates' border if the situation deteriorates. The camp at Riyadh will be some 20 kilometres from the city, while the one at Al-Kharj will be capable of accommodating another 20,000 Thais.

The site at Jeddah will be on the Red Sea and has been designed to house Thais from Tabuk, Tayma and Yanbu—towns where a large number are employed.

Foreign Minister Athit Urairat, who is leading a Thai delegation to visit Thai workers in Saudi Arabia, is expected to ask the Cabinet on his return home to set aside 80 million baht to cover initial expenses in setting up the camps.

An additional budget of 500 million baht will be needed to finance camp operations if war breaks out. Dr Athit, during his visit to Thai camps, briefed workers about the evacuation plan and what they should do to reach the holding centres.

The workers have divided into smaller groups each of about 30 people, which have appointed leaders to coordinate any evacuation with embassy officials.

Officials expect to have major difficulty evacuating 3,000 Thai girls who have been housekeepers in Saudi homes, sources said.

They work in different places and it will be difficult to provide prompt help for all of them.

Saudi Arabia's strict laws can pose as another problem in evacuating Thai women by road in addition to Saudi employers who may not allow their workers to leave.

Meanwhile, Kuwait has praised Dr Athit's announcement of full Thai support for Saudi Arabia and the United nations' call for Iraq to withdraw completely from Kuwait.

The Thai position was just and courageous, the Amir of Kuwait, Jabir al-Ahmad al-Jabir al-Sabah told Dr Athit during their meeting on Monday.

Kuwait's struggle for the complete withdrawal of Iraqi troops is not only for the Kuwaiti cause but for the world community as a whole, the Amir said.

If the world community does not end Iraqi's occupation of Kuwait, more small nations will be invaded by bigger countries.

The Amir urged Thailand to provide workers to rebuild Kuwait if Iraq agrees to withdraw.

Dr Athit reportedly said during the meeting that Thailand was able to make a clear stand on the Gulf conflict after Kuwait sent two delegations to Bangkok to explain the conflict.

The minister said he was originally scheduled to tour ASEAN to familiarise himself with the region when he assumed office recently.

The trip to Saudi Arabia was brought forward on his agenda in view of the Gulf conflict's direct impact on Thailand.

New Foreign Policy Causes 'Concern'

BK3012024090 Bangkok BANGKOK POST in English 30 Dec 90 p 2

["Weekend Analysis" by Nattaya Chetchotirot: "Athit under pressure: Is he moving too fast?"]

[Text] Foreign Minister Athit Urairat has generated some concern—even attracted criticism—with his foreign policy initiatives, although he has been in office less than two weeks.

The concern comes from a number of bureaucrats, but also from a minister. They feel Dr Athit—considered a "greenhorn" in the delicate art of diplomacy—is moving too fast.

On December 18, his first day in office, Dr Athit announced that he would review the country's policy on Burma. He also said he wanted to upgrade the country's relationship with Laos by helping the landlocked country develop socially and economically.

The foreign minister also advocated that a barter-trade system be used in dealings with Latin American, African and Eastern European countries.

He invited the ambassadors of ASEAN, Indochina, the Asian Regional Cooperation countries (SARC) and the Middle East to inform them of his broad plans to review policy.

In response to his multi-lateral barter trade proposal, Laotian Ambassador to Thailand, Boonkeut Sangsomsak, was the first country to respond positively.

Emphasising that he wants to see Thai policy emphasise human rights and a push for genuine democracy in Burma, Dr Athit even offered to arrange a meeting between Burmese dissidents and Rangoon officials during a meeting with Burmese Ambassador to Thailand, U Nyunt Swe.

The offer surprised the ambassador who immediately accepted because he had waited for this opportunity a long time.

The ambassador had reportedly urged Thai officials to facilitate such a meeting, but previously gained no response, sources said.

As far as the SARC countries are concerned, Dr Athit floated the idea of increased economic cooperation.

Sources said Dr Athit feels that Thailand should not be tied to a structure of economic cooperation in the form of ASEAN or APEC (Asia Pacific Economic Cooperation) alone, but should expand cooperation to cover countries of the "Indian Ocean Rim," namely India, Pakistan, Bangadesh, Nepal and Sri Lanka.

While he spent time speaking to the envoys of Iraq, Iran, Egypt and Saudi Arabia on bilateral issues, he went one step further—with the Iraqi ambassador by offering to act as go-between between Baghdad and Washington over the continuing Middle East crisis.

Although Dr Athit has some academic background in international relations, he is still considered a newcomer in the real world of diplomacy, and his offer to act as go-between has been criticised as becoming too involved or is inappropriate as Thailand is a small country with little international clout.

Even the United Nations has so far been unsuccessful in having an impact on Iraq, one critic said.

"Who does he think he is to make such an offer after taking office at the Foreign Ministry for only a week or so," said the critic.

The minister explained his offer by saying that as a newcomer he would be neutral and would not be in a position to side with either country.

He insisted that he was not overestimating his capabilities by making such an offer.

Dr Athit likened Thailand to the mouse in one of Aesop's fables which was able to help the lion.

Criticism has also emerged over Dr Athit's decision to visit Saudi Arabia (he left yesteday) until January 2.

Certain critics say that the visit—aimed at boosting the moral of some 130,000 Thai workers there—should be left to Deputy Interior Minister Watthana Atsawahem who oversees the Labour Department.

"Political motives seem to be behind his visit. He is committing himself unnecessarily," another critic said.

His suggestions of using the barter system for trade was also initially criticised. Opponents to this idea say the system has been tried before and has failed, especially with socialist countries.

The problem was that under this system Thailand is unable to obtain hard currency and that the country would obtain products whose quality are not up to standard.

The critics say that in the region, such a system can only be used with Vietnam, China or Laos which does not amount to much.

But Dr Athit does have supporters.

Certain bureaucrats say that Dr Athit's visit to Saudi Arabia did not intrude onto the responsibilities of the Labour Department.

"The title of Labour Minister has no status in foreign countries. He has no channel for comunication because he has no foreign counterpart.

"Saudi Arabia's Interior Minister is a police officer and he does not oversee the labour issue," they said.

According to the same source, Riyadh has not issued any visas to Thai civilians since the killing of three Saudi diplomats in Bangkok earlier this year, except for Thai diplomats who have received special consideration.

They added that all that the Labour Department was capable of doing was to bring rice to Thai workers in Saudi Arabia but it "is not in the position to negotiate anything."

"The foreign minister's responsibility covers the welfare of all Thais, which includes workers, businessmen and tourists," said a supporter.

"He is also scheduled to meet with all Thai Ambassadors to Middle Eastern countries to discuss coordination between their embassies in the proposed evacuation plan. Such visit is not putting anyone off-side," a supporter said.

They also criticised those who thought Thailand was a small country, situated far away from the crisis and should not get itself too deeply involved as being the view of "conservative diplomats."

"Thailand, as a member country of the international community has equal rights as any and every other member country. It does not have to be modest and think it has no pride.

"With such attitude towards international relations, Thailand will only sink backwards," another of Dr Athit's supporters said.

A supporter added that the Iraqi Ambassador to Thailand had even expressed "appreciation" for Mr Athit's offer saying he would refer it to his government for consideration.

"Mr Athit has also sounded out the opinion of other Middle Eastern ambassadors to Bangkok and none opposed the offer or indicated that Thailand was intruding.

"So why can't some Thai people accept it. Why don't they think that Thailand also has a right to play a part in the international effort to resolve the crisis" said a supporter.

"Mr Athit is a new minister and he can only be neutral in the crisis. He may be able to contribute by acting as a go-between," one said.

They tried to justify Mr Athit's attempt in playing a part in the Gulf crisis by differentiating it from the Cambodian conflict.

"Though Thailand's attempt at solving the Cambodian problem did not produce much progress after more than a decade, the trouble in its closest neighbour did not have a destructive potential on Thai civilians and the economy, unlike the Iraq-Kuwait issue," a supporter said.

On the barter trade system, Dr Athit conceded that the proposal is not new but said it is more suited to current economic and world conditions which have changed. The system, he noted, may not have worked in the past because conditions did not suit.

Dr Athit may indeed be moving too fast. But he appears to the [as published] most qualified person to assume the post in the hastily formed Chatchai II administration and even before his first ministerial appointment, he is a high profile personality easily recognised in the country.

For years Foreign Ministry was considered to be a "Grade A" ministry among the country's 14 ministries and the foreign minister's portfolio was much sought after by political parties.

But since Gen Chatchai assumed the reins of foreign policy, the ministry has lost that status.

Although he is still junior in politics, a first term MP from Chachoengsao and has only been in the chair less than two weeks, Dr Athit's enthusiasm appears to have injected more spark among ministry oficials who have lost heart and innovation following the end of the Sitthi era.

The weekly meeting of senior Foreign Ministry officials, usually attended by only eight people, now enjoys an attendance of almost 30, including deputy directors-general and ambassadors at large.

Mr Athit seems to be able to draw out the best intellectual capabilities of senior officials who seem willing to devote efforts to their new minister.

He may appear to be moving too fast, but Thailand should take the offensive as far as foreign policy is concerned. Dr Athit has been successful in business and may also be successful as foreign minister, if, and only if, he has the time and the opportunity to complete his term.

Chatchai Discusses Political, Personal Issues

BK0101113391 Bangkok DAILY NEWS in Thai 31 Dec 90 p 3

[Interview with Prime Minister General Chatchai Chunhawan by DAILY NEWS staff at Chatchai's Soi Ratchakhru residence on 30 December]

[Text] [DAILY NEWS] What will the government policy to be announced on 9 January focus on?

[Chatchai] Starting from today, we have only one year and six months left. Therefore, it is rather difficult for us to map out a policy because the whole statement must be clear. We cannot make a mistake, or our image will be adversely affected. It would be easier to draw up a policy for a full four-year term of government administration.

The most important issues which I think must be carried out successfully within the remaining period of the government are solving the pollution and traffic problems. So far, many officials dared not do things for fear of being accused of corruption. As a result, a number of projects have been delayed. After the change of government, approved projects have to be checked once more by the new persons responsible.

[DAILY NEWS] There has been criticism that the inclusion of the Solidarity Party in the new coalition would create trouble.

[Chatchai] (laughing) There will be even more trouble in the future. Whenever I feel the situation intolerable, instead of another cabinet reshuffle, I would just dissolve the parliament. Is there such a case anywhere else that a member of a party in the coalition of which I am prime minister is allowed to launch an accusation against me? If the party cannot control its member, it would not last long.

I feel that politics in Thailand might suffer a setback in the future. I would not worry about the economic issue. Talking about politics nowadays, people are beginning to feel fed up with democracy. Everyone wants the democratic system to continue to exist, but no one cares to conserve it. News is deliberately made up. Parliament is used as an instrument to cause trouble among members. I do not see how we can continue to stay together. We can see what is going on right now.

[DAILY NEWS] How do you think the current problems can be solved, especially to conserve the democratic system?

[Chatchai] I think there should be an amendment to the Constitution. We should not let it be as it is now. There still are many points that should be corrected. In particular, I would prefer that voting be made compulsory for all eligible voters to solve the problem of vote-buying. Nowadays money can still buy votes. If it is compulsory for everyone to exercise his voting right, how could anyone buy votes?

Some say compulsory voting is dictatorial and is an act of encroachment on individual rights. Why is it law that military conscription is compulsory for all Thai male citizens? Why do all Thais have to complete compulsory education? Why can voters not spare only an hour to cast their votes? This would help solve the problem of vote-buying. If the problem is left untouched, mafias would become MPs [members of parliament] and it would do great damage to the country.

[DAILY NEWS] Will you run in the next general elections?

[Chatchai] No more. I am 71 already; I want to rest. After removing my hands from politics, I would like to reside in Switzerland. I have an apartment in Geneva which I bought a long time ago. I also have two sports cars there. The apartment is close to the mountain where one can go skiing. If I continue playing politics, I might become a forgotten fellow one day.

I have no health problems. I can still drink whiskey. I can comfortably compete with 60-year-old people in a golf game. My advisors took me for a physical checkup at the Sirirat Hospital three months ago. I had to stay there overnight. Apart from a thorough checkup, a panel of four doctors was set up to see if there was anything wrong with my health.

I felt something would be found in the checkup. I have smoked cigarettes since I was 14. There should have been spots on my lungs. Since I have shouldered heavy burdens as a political party leader and as prime minister, a post at which some say I should remain, something should be found in the diagnosis. The check went on until five o'clock in the morning and the doctors announced that there was nothing wrong except a slight swelling of a gland, which is normal for old age.

[DAILY NEWS] Some political observers say the "Chatchai II" government was hastily formed.

[Chatchai] It had to be fast. After the king's birthday, I resigned on 8 December. Then I was reappointed prime minister on 9 December with members of six political parties signing their names in a letter of support. Why has someone accused me of being a dictator by forming a government with 297 votes? I beleive in a give-and-take principle. They supported me as prime minister. How could I ignore them by not inviting them to join the new government?

During that time, I said I was not a dictator and every party was free to decide if it would join the new government. The Democrat Party decided to withdraw and become an opposition party. The party has 48 MPs, and eight of them were ministers in the former government. The other 40 MPs did not want them to become ministers again. The other parties in the former coalition did not want to leave while opposition parties did not want to remain in the opposition, but wanted to join the government. If parties feel that there might soon be another general election or a parliamentary dissolution, every party would want to be part of the government because at least there has to be a caretaker government for three months.

After rounds of consultations, the government was formed on 13 December. Eventually, the Social Action Party decided not to join the coalition. The list of the new cabinet was submitted to His Majesty the King on 14 December. The king signed an approval on 15 December. The oath-taking ceremony took place on 16 December. And the King of Malaysia began his state visit to Thailand on 17 December.

The new cabinet held a swearing-in ceremony before the king on Sunday 16 December. It should be regarded as a historic event that the cabinet was granted an audience with the king on that day. We never consulted astrology but we had no time left because the King of Malaysia was scheduled to arrive in Thailand at 11:15 of the following day. How can there be no cabinet to receive a royal guest, especially one from Malaysia, which is not only a country sharing a common border but is also a member of ASEAN? Why do some think that we believe in astrology?

A newspaper published astrological forecasts of me but the birth date used was incorrect. I had to write a letter telling the newspaper of my correct birth date. I have never kept it secret.

The mirror in my office room at Government House is used for the same purpose as others. I do not know why people think that it is placed there for some superstitious purpose.

[DAILY NEWS] How often do you meet the "Ban Phitsanulok" advisory team?

[Chatchai] We have a meal together everyday, except when I have an appointment with someone else. Most of the time they sit in front of computer screens. Each has his own computer. The information they receive and anticipations of events are mostly accurate. Without the help of computers and these young men, I would not be able to catch up with events and the world. There are now eight advisors and they are all doctors. I am thinking of appointing more to make a total of about 15.

Whenever there is a problem, I do not know why people like to link it with these advisors. When I have a conflict with someone, people think it was because of the advisors who feed me information. These advisors are sincere, clever, and virtuous. I am an old man. If I invite people of about the same age as me to be my advisors, I probably could think better than they. That is why I appointed a team of young men aged between 40 and 50 as my advisors. They have never made a wrong judgement.

[DAILY NEWS] Was their decision on the case of Police Captain Chaloem Yubamrung, leader of the Muanchon Party, wrong?

[Chatchai] I do not know how to explain this to you. In the early stage of forming a government I only wanted to bring together people of similar occupations such as General Thianchai Sirisamphan, General Athit Kamlang-ek, Major General Sanan Khachonprasat, and Colonel Phon Roengprasoetwity. Once Phon is included, why not Police Captain Chaloem? They were all soldiers [as published].

In the case of Chaloem, when the military said they did not want him in the cabinet, I asked for some time to solve the problem. As I was wearing a politician's hat, and not a soldier's, I had to find a solution through political means.

[DAILY NEWS] How is the atmosphere between the military and the government since the traditional Wednesday morning breakfast has been skipped?

[Chatchai] I see nothing wrong. I have often met with senior military officers of the armed forces. Sometimes we drank together. I have just asked "Chot" (Supreme Commander General Sunthon Khongsomphong) to take rice for Mrs. Aqunio, president of the Philippines, on my behalf.

Nowadays I travel here and there by military planes, which are well arranged. I was born in a military place. I believe that I have more soldier's blood than many other soldiers. The introduction of "high technology" in the Thai armed forces and the pattern of American-style training came from my initiative.

[DAILY NEWS] They say that having Major General Manun Rupkhachon to service you closely has caused a conflict between you and the Armed Forces.

[Chatchai] I have never used his service. Maj. Gen. Manun had already been in government service before I became prime minister. He worked for General Prem Tinsulanon. After I became prime minister, I appointed him to a post in the Defense Ministry where he does not control any forces.

People have talked a lot about him although he has not had any major role. In Thailand, a person who falls often faces poor treatment from others. I do not want this to happen in this case. Manun had a handicap, for all of his former classmates had already become generals. I therefore promoted him to general. At one stage in the past many people tried to please Manun. But now, why have those people changed so much?

[DAIY NEWS] What would happen if the decree abrogating the National Administration Reform Council Decree 42 does not receive approval from the House of Representatives.?

[Chatchai] In fact, I agreed from the beginning that Decree 42 should be abrogated. The obstacle to this was that someone in the Interior Ministry did not want to relinquish power, until I finally ordered that it be abolished.

According to the Constitution, the decree will have to be proposed for approval by the House of Representatives. It will be submitted for consideration on 10 January. If the House of Representatives does not approve the decree, the government will have to resign, although some people say that this decree was the responsibility of the former government and the new government does not have to take responsibility.

[DAILY NEWS] What things, in your opinion, has the former government not done well or not yet done?

[Chatchai] Publicity on the former government was very poor. The government cancelled the logging concessions, passed the social security law, abrogated Decree 42, cancelled fertilizer tax, and reduced import tax on machinery from 30 to five percent. All these works were seldom publicized, although they are all of great benefit to the public.

Columnist on Problems Facing Chatchai

BK3012031290 Bangkok THE NATION in English 30 Dec 90 p B3

["Sideline" column by Sophon Ongkan: "'Countrymen, hear me speak'"]

[Text] The Chatchai administration will present a policy statement on January 9, a bit over a week from now. There has not been much time for the government to concentrate on what it intends to do as far as this administration is concerned, due to the lack of a common policy among the coalition partners.

Besides, the coalition has been embroiled in a series of controversial issues, ranging from the doubt over the legitimacy of Transport and Communications Minister Samak Suntharawet, the mysterious disappearance of Justice Minister Uthai Phimchaichon, and the squabbles among the coalition partners.

But the biggest bombshell dropped so far was a charge by MP [member of parliament] Dusit Sophitcha that the prime minister should be investigated for wrongdoing because of certain transfers of funds to a Hong Kong bank which would seem very suspicious to any thinking person.

Plagued with all these problems, one wonders whether the government is really serious in trying to tackle economic problems of the country which are getting more and more serious day by day. The prime minister himself looks very aged—a marked departure from the image of a playboy he had before he assumed the premiership two years ago. He looks tired and gaunted. This however was from his own doing and cannot be attributed solely from his efforts to take full charge of the administration, but rather from his struggle to survive a series of political problems started by his Cabinet members.

If we examine closely the major achievements during his term, almost all of them were shrouded in controversy in some form or another. Certainly Chatchai's coalition had initiated many projects involving infrastructure development, but none of them were started without a scandal of some kind related to suspected graft.

Now his administration is facing 1991 with multifaceted problems. Our hearts sink everytime we think about the prospect for success, for competence is one thing the Chatchai-led coalition seriously lacks. Though among the Cabinet members are few respectable figures, the bulk however consists of the survivors of old-style politics.

These old cronies know precisely how and what to say during the expected policy statement. For the moment however, let's guess.

Among them most probably will be a promise for better livelihood for all, equitable distribution of income, price support for cash crops, rural development, trade promotion, intention to nurture friendship with neighbouring countries, environmental improvement and conservation of forests,... etc [ellipses as published] and of corse, prevention of corruption.

Did we hear this before? Yes, that was just as recent as two eyars ago when Chachai formed his first Cabinet. At that time, what the government said found receptive ears. But now, the government has taken the people for granted. It has duped itself into believing that Thais would fall for any sweet little lie. Unfortunately for Chatchai, the people do have good memories.

The Chatchai-led pro-business government came into being when the country was on the crest of the waves of economic success. Everything then looked so nice and rosy, thus enabling the administration to claim all the credit which, in fact, should have been bestowed on the administration led by Gen Prem Tinsulanon.

The good old days abruptly came to an end with the Persian Gulf crisis. All signs of incompetence emerged amidst new problems. It was a real test and the Chatchai-led administration failed miserably.

The new policy statement will no doubt come with new promises to tackle the same old problems but we have to take it with a grain of salt. For one thing, each coalition partner will be inclined to give even more sweet promises to create an impression in the minds of the public that it can deliver the stuff. But will the public lend their ears this time?

With less than a month in office, key ministers have already talked highly about development plans. Until more is said, we are likely to hear about their intention to review the projects already concluded by their predecessors. But it will not be based on the necessity to fulfil basic needs or economic rationale. Instead, the changes will be made for the sake of changing... and something else.

The doubts over their intention and chances for success are based on the fact that the ministers have not been prepared for the job, let alone the failure of Chatchai to put the right man on the right job. It's not entirely his fault. There are not many right men in politics in the first place. Political accommodation, benefit sharing, and partisan interest, among other things take precedence over important issues.

What can we do then? Nothing. The Chatchai administration is still obsessed with the legitimacy to rule. The true merit and political morality are alien to most of the incumbent Cabinet members whose word should no longer be taken seriously. It's not that they have changed their stands too often. It's that they don't have any political viewpoints at all.

What lies ahead is simply like this. If the persian Gulf situation does not make a turn for the better, we are likely to be heading for the worse economically. The government will not have time to bring its administrative policies into reality. The policy statement, while compulsory, is perfunctory to this administration because most of their time in office will be spent on the struggle for their own survival.

Chatchai Delivers New Year Address

BK0101122391 Bangkok Army Television Channel 5 in Thai 1300 GMT 31 Dec 90

[Prime Minister General Chatchai Chunhawan's 31 Dec New Year address to the nation—recorded]

[Text] Dear and respected Thai people: The year 1990 is about to end, and 1991 will arrive in a few hours. This is an important time for all Thai people to exchange greetings. On this auspicious occasion, I would like to call upon all people to pray to the three Buddhist pillars and all sacred powers to give to their majesties the king and queen, and the royal family happiness, longevity, and prosperity so that they remain a strength for us forever.

Dear people: The passing year saw many changes and upheaval both in the world and in our own country. Those changes, some good and many bad, came so quickly and sent repercussions all over. Several countries had serious problems, and some experienced serious natural disasters, which we have never come across in our country. There were serious shortages and famine in some countries to the point that food rationing was introduced. There was hardship and misery in some other countries as a result of war. Those troubles erupted and repercussions were felt all over—in free and socialist countries, in the Middle East, in Europe, and in Asia.

Thanks to the power of their majesties, the Thai country and people have survived those changes, sturdily and with relative calm. Of course, we in Thailand also experienced many serious accidents, floods, and severe drought. Yet we do not have to look very far, but at our close neighbors, to see that their troubles are much greater than ours. We realized that our problems are much smaller.

In the wake of those undesirable emergencies, be it floods, severe droughts, or plant plague, the government tried to remedy the situation and promptly and rapidly provided assistance to victims, as all of us know. Concerning accidents and disasters, the government provided immediate help for the victims and took steps to prevent such happenings.

For the workers, when tension erupted in the Middle East in August, the government managed to evacuate some 7,000 Thai workers who wanted to return home within a short time. This has earned the government praise from others for its efficiency in bringing home Thai nationals, while some other countries, including powers such as Japan, the United States, and European countries, had difficulties trying to bring their people home.

The Thai people are smart. Although they are struck by luck sometimes, theirs is usually good luck, and not bad luck as in some other countries. Thanks to this, we have managed to survive all our troubles smoothly, to the point that others must envy us. And I would like to pledge to you that whether in good or bad luck, the government will share with the people all they have to bear.

Dear Thai people: Amid crises experienced by the world in 1990, Thailand continues to enjoy economic, social, and political stability.

Economically speaking, we are proud to say that our economic growth rate in 1990 was as high as 10 percent. It is the fourth consecutive year that we have achieved a growth rate higher than other ASEAN countries and industrialized countries in Asia such as Korea, Hong Kong, Taiwan, or Singapore. This has brought per capita income of the Thai people up to 36,900 baht in 1990, from only 23,400 baht in 1987.

Exports in both farm and industrial products expanded by 27 and 15 percent respectively over the past two years.

Investment expansion is recorded at 28 percent in 1989 and 20 percent in 1990. The reason for investment expansion was explained by foreigners who still prefer coming to Thailand rather than going to other countries because the situation in Thailand is more conducive due to economic and political stability; the friendly nature of the Thai people; and absence of racial, class, or cultural discrimination. Most important is the fact that Thai labor is good in quality and fair in price.

Anyway, we cannot rely solely on foreign investment, as that would mean we leave our economic future in the hands of foreigners. The government has been promoting investment by the Thai private sector which is equally endowed with potential, and tried to encourage them to set up their own investment ventures for manufacturing, especially in terms of small- and medium-size industries. The government has thus reduced duties on imported machinery from 30 percent to five percent across the board. This was meant to help small and medium-size industries, which are deprived of investment promotion privileges, to cut their production costs and be able to compete with both Thai and foreign large-scale entrepreneurs.

Dear Thai people: Regarding the agricultural sector, which has always been the foundation of the Thai economic system and employed most of the population, this government has tried to boost the price of agricultural products in the past two years. The price of five-percent rice was between 3,800 and 4,200 baht per kwian [2,000 liters]. I want to stress that as we know our farmers are facing problems, we have tried to reduce their production cost by allowing unrestricted duty-free import of fertilizer and insecticide. This has reduced the burden on the farming people to some extent. Moreover, the government has also reduced excise tax on rubber and export duties on 15 types of agricultural products to prevent businessmen from using these tax burdens to suppress the purchase price of agricultural products.

I take this opportunity to assure once again that this government will regard the plight of the people as the plight of the country, and that it will effectively relieve this plight.

Dear Thai people: These economic achievements are the result of cooperation from the farmers, industrialists in the private sector, people, government servants, and the government. These achievements are impossible without this cooperation.

Dear Thai people: As successes were achieved there were also problems, most of which came from outside the country, particularly the oil price problem, which the government has already solved and will continue to solve as it arises. The tight money problem has already been solved in a timely manner.

I am aware that this government was elected to solve the problems facing the people, not to rest on its laurels. I assure you that every problem can be solved, provided that we ourselves are not the ones who create the problem. This government will not run away from problems by avoiding decisionmaking; it will challenge the problems with all its available resources. It is my personal view that problems serve as the gauge that measures the government's administrative ability and achievements.

The past social and political events will show that the government has tried to listen to the opinions of various groups in society and to always respond to the opinions which were useful, examples of which include the increase in the minimum wage and government servant and state enterprise worker salaries to suit the current cost of living, the cancellation of forestry concessions nationwide and expansion of forest conservation acreage, and enactment of the social security law after a 30-year wait to help laborers and farmers. These actions serve to prove true the saying: The people's voice is the voice from heaven. The democratic government's duty is to make this voice from heaven come true, although at times this voice was making excessive demands.

Dear Thai people: Please do not yet loathe the democratic system and do not be disturbed by differences of opinion which do not constitute true divisions. This is because this system has three roots. First, the government and the members of parliament are elected by you and must answer your questions and respond to your wishes which are just and correct. Importantly, without the need to use force, this or any government will have to leave if you no longer want it. Therefore, public opinion serves as the brain of the democratic system which I and fellow cabinet ministers must listen to. This is because public opinion amounts to the legitimacy and the mandate which you gave to your members of parliament that I and the government must obey.

Second, the people's rights and freedom are the heart of the democratic system. This is because without rights and freedom the democratic system will become an administrative system which lacks soul [winyan]. For this reason, the government has tried to broaden the people's freedom as much as possible, by abrogating Order No. 42 of the National Administrative Reform Council [NARC] and amending the freedom restricting NARC and the Revolutionary Party announcements, although the broadened freedom has enabled the mass media to freely criticize the government to make it appear to be worthless. Never mind. Politicians in this administrative system must be tolerant and exercise restraint so that freedom will take root and bear fruit as long as freedom does not infringe upon other people's freedom.

Lastly, the democratic system is open, that is, it is open so that the people will be aware of the government's decisions. It is open so that people can criticize and members of parliament can question the government in parliament. It is open so that the people can monitor and oversee the performance of the government and the members of parliament through the mass media, particularly through broadcasts of parliament meetings and cabinet decisions.

Once this system permits participation by every side through expression of its opinions and ideas, it is normal that there would be difference of ideas. But this difference is not division, it is a difference which is expressed to reach the best conclusion acceptable by every side in society. Because each side speaks its views and demands, it appears to be annoying. I want to emphasize that every democratic country has the same problem. If you become annoyed, you should look back to the past when the country appeared to be calm and peaceful. If you do that, you will find that at times the noise gives you more assurances than the silence when you do not know who is thinking about doing what.

It is worth noting that in the past two years of national administration, the mass media has regularly reported on the difference of ideas by those in the cabinet. It is normal that there would be differences of opinions. But there was no difference in opinion on issues which benefit the country in the long term by those in the cabinet, regardless of which parties they belonged to. There were no differences in the revocation of forestry concessions, tranformation of the battlefield into a marketplace, duty-free import of fertilizer and insecticide to reduce farmer's production costs, reduction of import duties on machinery from 30 to five percent to help small and medium investors, abrogation of regulations to give full freedom to the press, enactment of the social security law to provide greater security to workers, and measures to boost rice price for farmers. This unanimity of views in these important issues is the real quality of cooperation for the benefit of the country.

Dear Thai people: This is a democratic government and I am proud to have your confidence and am proud of the ability to preserve the democratic system with the king as head of state to this day and to enable it to take such firm root that it is impossible to topple. But a 70-year-old man like myself probably cannot accomplish this mission alone without cooperation from all compatriots which consist of political parties; military, police, and civilian officials; and every citizen. Every side has given me continuous cooperation to promote the democratic system.

Dear Thai people: Although the approaching New Year sees crisis throughout the world, I assure you that this government is determined to make 1991 a year of better life for every Thai person by working with all its abilities. As the captain, I will guide the ship of state through the winds and waves to its destination.

Economically, the government is confident that it will be able to maintain a satisfactory level of economic stability. For your assurances, we now have 110,000 million baht in financial reserve, which is very high. International financial reserves amount to more than $14,000 million. The national financial status is also very sound. As a result, the government has been able to set the expenditure budget at 385,000 million baht for the 1991 fiscal year. It is the first ever balanced revenue versus expenditure budget. The budget, already approved by parliament, will enhance the government's purchasing power and in turn will directly increase production by the private sector, which increased by 50,000 million baht over the previous year, signifying the country's economic growth. It is estimated that the national economic growth over the next five years will increase by 7.5 percent over the past year, a satisfactory rate in terms of stability and suitability. This growth rate will be higher than many other countries.

Dear Thai people: Dispensing the expenditure budget will result in a better future for the national development, be it the installation of 3 million more telephone numbers, expansion of deep seaports, the skytrain project, and the elevated highway project for mass transit.

For fraternal farmers who make up the majority of the population, as head of government, I pledge that regardless of the world agricultural produce prices, you will receive a guarantee from this government that it will support and guarantee the rice price and the price of other agricultural products, so that farmers will enjoy a better life than in the past year during which the government had been providing constant assistance to them.

I reaffirm the policy of this government to more extensively distribute income and economic growth to the regional areas in order to improve the income of individual farmers, manual laborers in the agricultural sector, and low-income workers. I am confident that this New Year hope for these target groups can be concretely fulfilled.

As for workers, it has been ascertained that the minimum wage will be increased to suit the cost of living in the New Year. At the same time, the government is thinking about increasing the salaries of government servants and state enterprise employees as their New Year gift.

Dear Thai people: This government is determined to make this coming year a good year in your lives in terms of your economy and living conditions, and happiness in every area of your life. In this New Year, the government will try to create a better environment for the people in Bangkok as well as in the provinces. The environment projects which you will see taking shape next year are a public park where the Meteorological Department is now located and a public park where the pond in the Tobacco Monopoly is now located. There is also a plan to expand Chatuchak Park into a golf course belonging to the State Railways of Thailand. The government is also in the process of building a park in Phuket Province. These are the aspirations and determinations to continue to really improve the life of you fraternal people.

Dear fraternal people: This government has many other ideas and aspirations to carry out for the people. They cannot all be described during this short time. But the one thing which I can promise you in the New Year is to administer the country for a better life in the New Year to truly comply with the desire of the fraternal people and will do so with honesty, as I have pledged to the king at my oath-taking ceremony.

Dear Thai people: As head of government who was elected, I want to inform you about my hope concerning a measure aimed at developing the Thai political system by trying to eliminate vote buying in order to prevent investors from trying to recoup their investment after being elected to parliament. How much this hope can be fulfilled depends largely on the conscience and cooperation of each of you. As far as I am concerned, whether or not a general election will occur in 1991 I will try to develop the political and the election systems for the next election.

Dear fraternal people: The New Year hope and the New Year dream are different in that the hope can be fulfilled by taking action, not by talking about it. I am ready to take action to make the dream of each of you come true during the limited time this government has remaining in office.

On the occasion of the New Year 1991, may the sacred power which you fraternal people have faith in and the power of their majesties the king and queen bring you happiness and prosperity and endow you with intellect and goodness that will enable you to carry on your lives with happiness and righteousness and to contribute to the country and Thai society forever. Happy New Year.

King Phumiphon Delivers New Year Message

BK3112153590 Bangkok Domestic Service in Thai 1300 GMT 31 Dec 90

[King Phumiphon Adunyadet's New Year message to the Thai people; date, place not given—recorded]

[Text] All Thai people: As the new year approaches, it is time for us to think of and wish each other happiness and success. I would like to extend my best wishes to all of you. And I would also like to thank you for the friendship, cooperation, and support you have given me in all my duties.

All of us want to see our country in a state of normalcy and stability with the majority of our people enjoying good and adequate living conditions. It is impossible to expect our wishes to be fulfilled by itself. Instead, all of us in all sectors, especially those in charge of national administration, must help one another attain them by speedily executing their respective duties by supporting each other and cooperating for real accomplishments. If the safety of the people and welfare problems arise, all of us must join together in solving or alleviating the situation without delay, by using our knowledge and capability, and with a sense of responsibility and national unity.

Now when the situation of the world and nearby countries are changing rapidly, we must keep calm and not be shaken by crisis. We must be firm and steadfast in thought and feeling, and we must be sincere and consistent in upholding good judgment, honesty, and correctness. Particularly, we must think of the common interests of the people first.

On the new year, I would like to appeal to everyone to think clearly and to strive for mutual understanding. No matter what your work or duties are, you must always think of the common interests and the identity of the Thai nation. You must not underestimate this. In this way, your personal work performance and that of the nation will progress smoothly, and you will achieve the happiness and prosperity each of you desire.

May the power of the Buddhist triple gems and other sacred powers protect you from all kinds of dangers and evils, give you physical, mental, and intellectual strength, and full force of unity so that you will find fulfillment in carrying out small and lofty duties in the interests of the country and everyone, and enable us to preserve our national independence and sovereignty, and peace and happiness in our country forever.

May everyone of you enjoy happiness and prosperity, be free from all miseries and dangers, and may your wishes be fulfilled.

Commerce Official Discusses Copyright Laws

BK3112040090 Bangkok BANGKOK POST in English 31 Dec 90 p 13

[Text] While defending the principle of Thai copyright law enforcement, Commerce Permanent Secretary Phachara Itsarasena has emphasised "complete evidence" is necessary before taking legal action in such cases.

In an interview with Business Post at the weekend, Mr Phachara stressed that Thai copyright laws complied with international standards and practices.

The senior Commerce Ministry official rejected allegations by three United States industry groups which filed a Section 301 petition against Thailand with the US Trade Representative, leading Washington to decide recently to investigate copyright piracy in Thailand.

The International Intellectual Property Alliance (IIPA), the Recording Industry Association of America (RIAA) and the Motion Picture Export Association of America (MPEAA), claimed that the rights of US copyright holders are not adequately safeguarded in Thailand.

They said the failure of the Thai Government to enforce the rights of US artists had caused heavy losses due to music tape and video piracy totalling between US$70 million and $100 million a year.

Mr Phachara disputed the American allegation, saying Thai laws are based on the principle of "civil law", so the real copyright holders have to face investigation procedures. If they cannot prove their rights, it is not enough grounds for government officials to take legal action.

The Commerce permanent secretary said Thai officials had tried to clarify the issue with the three American groups several times, but they did not understand it.

He said the Government had also tried to show various developments on the Thai side to improve enforcement measures by several related government agencies, but their American counterparts were still not satisfied.

The Commerical Registration Department was promoted to become a centre of cooperation between several government agencies, including the CRD, Public Prosecution Department, Police Department and Fine Arts Department.

Meanwhile, the Prosecution Department has announced a check-list of enforcement procedures to be used as a standard practice for all prosecutors.

Under the check-list copyrights holders have to submit three types of evidence to prosecutors in support of their case.

They must prove illegal activity by copyright violators by producing injured parties, material evidence and witnesses or experts to prove this.

The injured parties must provide evidence to show that the copyright owners' country has joined the Berne Convention on copyright.

To bring the case to court, the injured parties must present a package of evidence to prove their rights have been violated, each notarised and translated into Thai.

Mr Phachara said in many cases prosecutors did not bring the case to court because the actual damaged parties did not cooperate, the copyright holders overseas did not come to testify, or did not produce a contract stipulating their local representatives to act on their behalf.

Asked about the request by the American industry associations for the Thai Government to adopt measures to ensure US copyright holders receive protection, Mr Phachara said the Government might improve some procedures but it was impossible to enact all of their recommendations.

Copyright violation is not a severe crime for the country, it is the responsibility of damaged parties to protect themselves, he stressed.

The permanent secretary said Thai Government was always open to discussion with Washington to solve the problem, but he was disappointed with some of the US requests which impinged on Thailand's sovereignty so were unacceptable.

Under Section 301 of the US Trade Act, Washington will hold bilateral talks with the Thai Government to settle the dispute within 16-18 months, before deciding if retaliation is warranted.

This may involve closing the US market or increasing tariff duties on important Thai exports such as jewellery, textiles or garments.

Vietnam

542 Workers Leave Iraq; 5,000 More Expected

BK0101164891 Hong Kong AFP in English 1639 GMT 1 Jan 91

[Text] Amman, Jan 1 (AFP)—A group of 542 Vietnamese who arrived here Monday from Baghdad left for home Tuesday aboard an aircraft chartered by their government, Jordanian officials said.

Some 5,000 Vietnamese whose work contracts have expired in Iraq are due to pass through Jordan on their way home in the next few days and will be repatriated in groups of roughly 500, officials added.

The evacuations have been arranged ahead of the January 15 United Nations deadline for an Iraqi withdrawal from Kuwait, after which the United States and other forces deployed in the Gulf have UN authorization to launch a military attack to free the emirate.

Since the start of the Gulf crisis in early August an estimated one million foreign residents of Iraq and Kuwait have been repatriated via Jordan.

'Text' of Vo Chi Cong's New Year's Message

BK3112135590 Hanoi Domestic Service in Vietnamese 1100 GMT 31 Dec 90

["Text" of Council of State Chairman Vo Chi Cong's new year's message—read by announcer]

[Text] Beloved compatriots and combatants: On the occasion of the new year, on behalf of the party Central Committee, the National Assembly, the Council of State, and the Council of Ministers, I would like to extend my cordial regards and warmest greetings to all compatriots, workers, peasants, intellectals, members of the People's Armed Forces, comrade war invalids and sick soldiers, veteran cadres, dependents of fallen combatants and families which have rendered meritorious services to the revolution, the elders, youths, teenagers, children, compatriots of different ethnic minority groups and religions, and overseas Vietnamese compatriots.

Over the past year, the socioeconomic situation has been rife with greater difficulties and complications than before. Nonetheless, thanks to the efforts of our compatriots and combatants throughout the nation, we have continued to effect positive changes and have created conditions for stabilizing the situation in all aspects and for accelerating national construction in the days to come.

Our achievements testify to the correctness of the orientations and steps that our party and state have taken to implement the renovation undertaking. The efforts of our compatriots, combatants, mass societies, social organizations, and all echelons and sectors are of great importance.

On behalf of the party and the state, I warmly commend our compatriots and combatants who, by developing the right of mastership and by working diligently and creatively, have scored outstanding achievements in fulfilling the task of building socialism and defending the fatherland.

I would like to praise our overseas Vietnamese compatriots for their profound patriotism and positive contributions to national construction.

May I avail myself of this opportunity to thank fraternal countries and all organizations and individuals worldwide for their wholehearted assistance and support for the Vietnamese people.

I would like to convey my warmest greetings to our comrades and foreign friends who are celebrating the New Year in Vietnam.

Beloved compatriots and combatants: Entering the New Year, let us develop the spirit of self-sufficiency and self-reliance, adopt a positive attitude, bring into full play our creativity, overcome new difficulties and challenges, accelerate production and business operations, broaden economic relations with foreign countries, strictly practice thrift, resolutely oppose all manifestations of negativism in society, purify the state mechanism, firmly maintain law and order, accelerate the all-people national defense work, and outstandiangly fulfill all socioeconomic tasks and objectives set for 1991 by the National Assembly.

Entering the New Year, let us further accelerate the overalll renovation undertaking and score new achievements to realistically welcome the seventh congress of the glorious Communist Party of Vietnam.

We are determined to implement venerated President Ho Chi Minh's testament urging our entire party and people to work together in developing Vietnam into a peaceful, unified, independent, democratic, and prosperous country and in making worthy contributions to the world revolutionary movement.

Cordial salutations.

[Signed] Vo Chi Cong.

Various Sectors View CPV Draft Documents

Military Units Contribute Ideas

BK0101042491 Hanoi Domestic Service in Vietnamese 1400 GMT 17 Dec 90

[Text] The 4th military region's artillery corps and its general technical department recently held conferences to study and firmly grasp the fundamental points of the draft documents of the upcoming Seventh Communist Party of Vietnam [CPV] Congress.

In the spirit of broadening democracy, enhancing the intelligence of cadres and party members, and upholding the sense of responsibility, the conferences discussed and exchanged views on basic contents of the draft documents. Those attending the conferences also adopted plans and programs to solicit ideas to these documents.

The conferences unanimously asserted that discussion and contribution of ideas to the party draft documents are a manifestation of the sense of responsibility and loyalty of the military region toward the party.

Delegates to the artillery corps' conference seriously discussed and contributed ideas to the draft documents. They also heard statements on the documents by party and state top leaders to have a better understanding of party lines and policies. All ambiguous issues related to the documents were raised at the conference for discussion and exchange of views.

Generally speaking, the conferences have reached an identity of views to contents of the party draft documents while attaching importance to ideas expressed by every delegate to the conferences.

The party committee's standing body of the 4th military region's artillery corps asserted that this was an important political activity of the corps as well as for various military units in the days ahead. Meanwhile, Army political agencies have supplied copies of the draft documents to and provided grass-roots units with guidance for discussion and soliciting ideas to these documents.

Youth Union Presents Ideas

BK0101133191 Hanoi International Service in English 1000 GMT 21 Dec 90

[Text] It is reported that the Ho Chi Minh Communist Youth Union [HCMCYU] has just held a conference of prominent representatives of the youth in Hanoi to discuss the two documents namely the platform for the building of socialism in the transition period and the strategy for socioeconomic stabilization and development of our country up to the year 2000. We now bring you a review of their suggestions to these two important documents to be submitted to the upcoming seventh national party congress.

The youth make up a social class that is very sensible to the renovation, and therefore it is easy to understand the enthusiasm among the youth during their discussions. Opinions and suggestions raised in these discussions were not always the same, and sometimes quite different from the party documents. An enthusiastic and sometimes argumentative atmosphere prevailed among the discussions, but in general, all the participants shared the same view that the revolutionary way chosen by the Communist Party of Vietnam and Uncle Ho is the sole correct one.

Nguyen Quoc Anh, a representative from the Hanoi University; Vu Chuong Chinh, from the College of National Economics; Nguyen Van Dinh, from the Hanoi youth union, and others highlighted important achievements in the struggle for national independence and freedom and initial results in the socialist construction. They also proposed that the party and state should have a special strategy on man, especially on the new type of socialist man, and that is the youth at present.

For her part, youth union member Dao Thu Huong added that the strategy should place man at the same position, especially the young generation of the 21st century. Priority must be given to the scientific and technological revolution which is considered one of the three key revolutions at present.

Many representatives laid stress on the importance of education in the youth's ways of life and morals. At present, one of the most dangerous and negative manifestations of corruption among the youth is the corruption in the young generation's conception and ways of life.

In this connection, Nguyen Minh Hue pointed out that whether the socialist construction can be a success, the country can exist or not depend on the ideals, sentiments, and ways of life of the present generation, who in a few years, have to shoulder the country no matter whether they are willing. Nguyen Minh Hue added it is necessary to educate and train these young people for the future of our nation.

Ha Nam Ninh Holds Discussions

BK0101133591 Hanoi International Service in English 1000 GMT 18 Dec 90

[Text] Early this month, thousands of party cells in Ha Nam Ninh Province, 100 km south of Hanoi, organized discussions to the two important documents to be submitted to the upcoming Seventh National Congress of the Communist Party of Vietnam namely the draft platform for the building of socialism in the transition period and the strategy for socioeconomic stabilization and development of our country up to the year 2000.

Mr. Pham Hung Bich, a bus driver of the Ha Nam Ninh Transport and Communications Service said: We have waited for a long time for these documents. Therefore, when they were made public, we read them immediately and wanted to speak to our party with [word indistinct]. Each person, from his social and group position has his own look on the history as well as on each problem of the party and the country concerned.

Mr. Dang Huu Van, an employee of the electronic enterprise, maintained that the problems are so great and so important. He said: We cannot speak anything yet after reading them one or twice. But I am really enthusiastic at the road to socialism chosen by our party and the strategic long-term and practical orientations expounded in these two documents. There were ebullient discussions. For example, when the draft platform pointed out five lessons of the Vietnamese revolution, some people agreed to let them in the fifth position, but others disagreed and wanted them at the fourth.

Everyone has his own concrete and convincing reason. Therefore, the discussions of these two documents were attractive, and people of all strata were voluntarily involved in them.

o Van Dien, deputy director of the provincial electronic enterprise, who has just become a party member, said that for him, this is another time to learn the lesson about democracy. Our party, our state are of the people, by the people, and for the people. That is the strength leading to all victories.

Army Officer Views Documents

BK0101145391 Hanoi Domestic Service in Vietnamese 2330 GMT 24 Dec 90

[Views by Colonel Le Kha Tho, holder of a Master's Degree in Science and Technology—recorded]

[Text] The draft platform for socialist construction for the transitional period and the draft strategy of socioeconomic stabilization and development in our country up to the year 2000 are important documents because they have been meticulously compiled.

From the time the first political platform of our party was formulated to the introduction of the current platform for socialist construction, our people and party have gone through many development stages and have scored great successes by regaining national independence and achieving national unification. Efforts have been made to gradually bring about a bountiful and happy life to everyone.

Dealing with the modality of socialist construction in the transitional period, the platform says: The socialist society that our people are building is a society in which man is liberated, the laboring people are masters of the nation, the economy reaches a high level of development, the culture is modern and imbued with national colors, and so forth.

In my opinion, the word science should be added to the term economy so that the whole sentence could be restructured as follows: The economy and science reach a high level of development. We often stress the role of science and technology as well as the importance of scientific and technical innovations. Therefore, instead of relying solely on imports as a source of machinery and equipment supply to meet production and combat requirements, our country must build its own scientific and technical potential in support of industrial production. Our country must not serve either as a dumping area for foreign consumer goods or a subcontractor who is resigned to his meager wages.

As we all know, one of the most important traits of the modern scientific and technological revolution is the close connection between scientific and technical innovations and social demands.

As far as the Armed Forces are concerned, the draft platform points out: National defense and security are of utmost importance. Our national defense task is to firmly defend the socialist fatherland and the socialist regime. Our state and people are responsible for the task of building the People's Armed Forces under the party's leadership.

The task of developing the People's Armed Forces into a modern regular military organization is the common responsibility of our entire party, state, and people. If our people are rich, our nation will have every condition for developing its strength and building its Armed Forces.

In the wars against foreign aggression, scientific and technical cadres in the Armed Forces have made worthy contributions to the movement to invent and manufacture weapons and technical equipment as well as to enhance their effectiveness. Many comrades have received the title of Hero of the Armed Forces.

The state has provided the Army with many outstanding cadres. Nonetheless, given the current conditions, the contingent of scientific and technical cadres in the Armed Forces has already been reduced. Most of our brother scientific and technical cadres have been reassigned to other duties or have retired. It is necessary to devise a scientific and technical training program as soon as possible to help improve the knowledge and foreign language skills of those comrades who graduated from schools a long time ago.

Higher echelons should help scientific and technical cadres with materials, equipment, and means so that the latter can improve their knowledge and henceforth be able to contribute to meeting production, training, and combat readiness requirements of the Armed Forces.

Prompt efforts are needed to define specific scientific and technical research areas capable of being applied to future combat requirements. To this end, we must base our work on scientifically solid grounds as well as on our intelligence. It is necessary to see to it that in spite of personnel shortages, limited state funding, and inadequate material bases, our cadres still can work on a number of military research projects underway in various advanced countries for present and future uses. This is a very heavy and painstaking task.

Research projects must aim at concrete objectives and must involve efforts to link national defense with economic development and vice versa. Scientific and technical cadres of both the Armed Forces and the state sector must achieve close cooperation and solidarity. In this way, there will exist conditions for developing the aggregate strength of the contingent of scientific and technical cadres as a whole. This is a strategically important task.

In the Armed Forces, as scientific and technical cadres have different qualifications, the question of how to improve their knowledge and efficiency must be given greater attention by military and state leaders. It is due to their habitual dependency while in the Armed Forces that after being released from the Armed Forces to return to work in civilian sectors, many comrades are now no match for their civilian colleagues in terms of professionalism and foreign languages.

As for our working conditions, we have met with countless difficulties. Our existing weapons, though useful, are obsolete, given the quality of those weapons now being used by advanced countries, particularly the degree of automation of new-generation weapons. How to catch up with this progress to firmly defend our fatherland against contingencies is a source of concern of the cadres and combatants in our Armed Forces.

Once the question of priority treatment is raised, everyone would ask for it. For instance, public health would ask for priority in receiving supplies, border guards would demand priority in getting support, and so forth. But to correctly decide to whom or to what sector and to what work priority treatment should be given, we should use our strategy for economic development and national defense as a basis. These are very essential and need priority treatment to ensure successful socialist construction and firm safeguarding of the socialist Vietnamese fatherland. Therefore, the question of how to systematically and wisely achieve harmony among our tasks, obligations, and policies should be given fair and objective consideration for the sake of our common interests.

We are all aware that Sweden is economically strong. Its national defense is also very powerful. This has helped ensure its national security. In the party platform, the characteristics of the scientific and technological revolution are fully discussed. When dealing with socioeconomic development, it is necessary to outline major strategic plans for applying scientific and technical findings in our country. This includes the exchange of scientific and technical experiences, the acquisition of new technologies, and the promotion of the creativity of the Vietnamese people at home and abroad as well as assistance by friends in the world. All these must be regarded as the duty of everyone, not only of responsible cadres in various sectors. Finally, the platform must be written in such a way that patriotism and a sense of responsibility for present and future generations will manifest themselves more clearly. Only through this can each party cadre and member and each ordinary person realize that this platform is his own and that he should strive to build and translate it into a reality of life to make our country more prosperous and powerful.

Bank Personnel View Draft Plans

BK0101150191 Hanoi Domestic Service in Vietnamese 1100 GMT 25 Dec 90

[Report by Station Correspondent Dao Nguyen: "Contributions to Draft Documents of the Seventh Party

Congress" presenting views of cadres, workers, and employees of Hoang Lien Son Province's investment and development bank]

[Text] Cadres, workers, and other employees of the investment and development bank of Hoang Lien Son Province first of all asserted that, in the present complex economic situation, it is necessary for our party to draft the platform and strategy of socioeconomic stabilization and development for our country until the year 2,000, and to solicit broad public opinion to better orient us on the chosen path.

As for specific views, it was noted that along with those who agreed to the name given to the draft platform, many others suggested putting the phrase "for the transitional period" before the phrase "socialist construction." According to them, the platform should be called the "Platform for the Transitional Period of Socialist Construction" to clarify our purpose of building socialism while concretizing the path of our advance to socialism. If "socialist construction" is put before as it is currently shown on the platform, it will be difficult for all people to understand because thus far we have not had any specific socialist model. As a matter of fact, we are in the period of transitioning to socialism. As a result, it is accurate and better to reverse this to "For the Transitional Period of Socialist Construction." Some others proposed that if a period of transition to socialism is required, we should specify clearly how long it will last and not say that it will take about two or three five-year plans as the draft platform does.

Concerning chapter one of the platform, which assesses the great victories and the lessons learned from experiences, everyone admitted that over the past few decades the Vietnamese revolution has achieved many results and successes. However, as we have made some mistakes in strategic leadership as stipulated in the draft platform, quite a number of people have proposed that the word "great" be replaced by some other word less resounding yet still affirming the victories of the Vietnamese revolution.

In analyzing the socioeconomic results in our country, some of the personnel contend that we have made many mistakes in strategic leadership. As a result, we should add the word "many" to the phrase of "mistakes in strategic leadership" so as to correctly reflect the real socioeconomic situation of our country in the past 15-20 years, namely such mistakes pointed out in the draft platform as delays in setting forth the initial stage of the transitional period, haste and impatience in economic reform, and the problems of management, prices, wages, and organization.

As for the major lessons drawn upon experiences in the course of compilation, the chief business officer of the investment and development bank of Hoang Lien Son said:

[Begin recording] I think the fourth lesson is the one that led to the great victories of the Vietnamese revolution [words indistinct] since the founding of the party. My opinion is that solidarity must be preserved in the party and among the people and not only within the party, because in the second lesson we already said the revolution is of the people, for the people, and by the people. [end recording]

Apart from those female cadres who agreed to the five major lessons, many others held that the causes of failures in the socioeconomic policies of our country and even our party's mistakes of strategic leadership all stemmed from the truth that we have not correctly followed nor observed the objective law. The fifth lesson in the draft platform says: All lines and policies of the party must originate from realities and respect the objective law that portrays the importance of the problems that have caused us to trip and to pay for it. If the observance of objective law is left in the fifth lesson as it is, does that mean that we still belittle the objective law in our current economic business?

In reality, since the end of the sixth party congress we have already begun to learn from this experience. That is why the socioeconomic situation in our country has been renovated a step. From such an analysis, everyone proposed to keep "observing the objective law as a separate and major lesson." Engineer Tam added: If we do not add the lesson of observing the objective law, we have not realized all the setbacks controlled by this law. Should we fail to observe it truly, in the time ahead it will be hard for us to avoid new mistakes.

Concerning the chapter on "Socioeconomic Development" of the draft platform and the strategy of socioeconomic stabilization and development in our country until the year 2,000, all views expressed concentrated mostly on such issues as the development of consumer economy, the economic structure, multisectorial economy, and policies and measures to rotate funds and use sources of capital. All the personnel of the bank held that these issues are closely related to the improvement of our people's material and moral lives until the year 2000.

Some of the views expressed suggested that the viewpoint on further developing production forces should be emphasized because they are the mainstay in the economic development of our country. As a result, the bank personnel proposed the following change: Upgrade the viewpoint on developing production forces and relations to positions 1 and 2. The phrase "have plans to develop the economy continuously" should be replaced by the sentence: "Develop the commodity economy, achieve the market-oriented mechanism, and meet the people's needs in production and life with state regulation and control."

Quite a number of views suggested this sentence: "Develop the commodity economy with regulation through state tax laws" in the draft documents. As cadres who are performing the functions of managing, supervising, and controlling credits, investment and development in Hoang Lien Son Province, they concentrated much of their opinion on the mobilization and use of funds stipulated in the draft platform and strategy of socioeconomic stabilization and development of our country until the year 2000. According to them, when mentioning the measures to mobilize funds, this sentence should be added immediately: "All sources of funds must be used effectively and subsidies in the use of funds must be opposed." If only the effective mobilization of funds together with its use and the working method is left as stipulated in paragraph B of the draft platform, it means that we have not emphasized all its importance.

Concerning another issue—making our people feel at ease about lending funds to the state—it was recommended that more specific policies be formulated to ensure the value of funds and secure the people's trust, and to avoid the loss of value of funds after some time because of various causes, while the state has no measures to guarantee the value of their funds and the people then no longer believe in the state policies of mobilizing funds.

Many of the employees in the investment and development bank of Hoang Lien Son Province further proposed to add an article emphasizing the measures to managerially control and legally and scrupulously deal with cases of violations and improper use of funds.

Khanh Hoa Discusses Platform

BK0101054691 Hanoi Domestic Service in Vietnamese 1430 GMT 20 Dec 90

[Text] Large numbers of cadres, party members, and people of all walks of life in Khanh Hoa Province have contributed their opinions to the draft documents of the Seventh Party Congress.

According to grass-roots provincial party organizations, given the numerous difficulties facing the national socioeconomic situation and the complex and changing international situation, it is absolutely necessary and correct to pattern the orientations of socialist construction in our country after the path chosen by the party and Uncle Ho.

According to the opinions of some grass-roots establishments, the platform should elaborate on the fundamental contradictions in our country in the transitional period, as well as on human resource development strategies, particularly those related to personnel training and use of manpower.

Many people suggested that party organizations at all levels promptly make reviews and draw expereriences from the socioeconomic reform and development programs.

Khanh Hoa Province has contributed tens of thousands of opinions to the draft documents of the Seventh Party Congress. The office of the provincial party committee and other sections of the committee are urgently filing recapitulative reports for submission to the party Central Committee.

Leaders Send National Day Greetings to Cuba

BK3112140290 Hanoi International Service in English 1000 GMT 31 Dec 90

[Text] Vietnamese party and state leaders have sent their greetings to their Cuban counterparts on the occasion of the 32d Cuban National Day, 1 January.

The message expressed the belief that the Cuban people would overcome all difficulties and record more achievements in their revolutionary cause.

It noted that the Vietnamese people always treasure the militant solidarity and all-around cooperation between the two countries over the past years and pledged the continued development of bilateral relations in the interests of the two peoples and for world peace and social progress.

Vo Chi Cong Sends Greetings to Yasir 'Arafat

BK0201045791 Hanoi Domestic Service in Vietnamese 1100 GMT 31 Dec 90

["Greetings" from Chairman of the Council of State Vo Chi Cong to PLO leader Yasir 'Arafat on 31 December 1990 on the commemorative day of the Palestinian revolution]

[Text] More than 40 years have passed, and despite the enemy's brutal oppression and suppression, the Palestinian people have stubbornly and bravely fought to gain independence, freedom, and their sacred national rights of self-determination. This is clearly shown in the recent and continuous uprisings in the occupied areas which have embarrassed the Israeli Government and forced them into passivity.

The establishment of the Palestinian government on 15 November in 1988 recognized by more than 100 countries of the world, is an important gain of the Palestinian revolution.

The people and state of Vietnam are very happy with that great achievement which once more confirms the unity and stalwart support for the right struggle of the Palestinian people.

We hope the Palestinian people under the leadership of the PLO will continue to score new and greater achievements.

Vo Chi Cong Receives Departing Ambassadors

BK0201071691 Hanoi Domestic Service in Vietnamese 1430 GMT 31 Dec 90

[Text] On 31 December the Chairman of the Council of State Vo Chi Cong received the Cambodian Ambassador Plenipotentiary and Extraordinary to Vietnam Tep Hen who paid a farewell visit to the chairman before ending his tour of duty in Vietnam.

Chairman Vo Chi Cong had a cordial talk with Ambassador Tep Hen.

The Deputy Director of the Office of the National Assembly and of the Council of State Vu Mao was also present at the function.

On 31 December the Chairman of the Council of State Vo Chi Cong received the Japanese Ambassador Plenipotentiary and Extraordinary to Vietnam Kuniaki Asmura, who paid a farewell visit to the chairman before ending his tour of duty in Vietnam.

On 31 December the Chairman of the Council of State Vo Chi Cong received the Phillipine Ambassador Plenipotentiary and Extraordinary to Vietnam Cipriano Leron, who paid a farewell visit to the chairman before ending his tour of duty in Vietnam.

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